Bankers magazine

THE

BANKERS' MAGAZINE

RHODES JOURNAL OF BANKING AND THE BANKERS' MAGAZINE

CONSOLIDATED

VOLUME LXVIII

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NOTICE.—The BANKERS' MAGAZINE having been consolidated with RHODES' JOURNAL OF BANKING, the volume number of the former only is retained.

BOUND VOLUMES.—Beginning with July, 1895 (consolidation of the BANKERS' MAGAZINE with the JOURNAL), the volumes comprise the numbers for six months.

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THE

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FIFTY-EIGHTH YEAR. JANUARY, 1904. VOLUME LXVIII, No. 1.

THE BANKERS' MAGAZINE FOR 1904.

With the present number THE BANKERS' MAGAZINE begins the fifty-eighth year of its continuous existence. In entering upon the new year we do not feel called on to make any lavish promises, but rather invite attention to what has been done in the past as an assurance for the future, and at the same time to ask a careful examination of the contents of this number of the MAGAZINE. The publishers are quite willing that this publication shall be judged on its record—what it has been and now is—rather than by any glowing phrases descriptive of future excellence. Improvements will be made, however, as time and experience may suggest.

The first number of the MAGAZINE for the new year is in itself a storehouse of valuable information for the banker and monetary student. First in importance are the annual reports of the Secretary of the Treasury and Comptroller of the Currency. The latter report is published more fully in THE BANKERS' MAGAZINE than elsewhere, and it contains much statistical and other matter of permanent value for reference. Then there is a special article by Hon. ELLIS H. ROBERTS, Treasurer of the United States, on "Denominations of Our Currency," in which the great demand for notes of small denomination is clearly illustrated. Portraits of Secretary SHAW, Comptroller RIDGELY and Treasurer ROBERTS are also presented.

Mr. CLAY HERRICK, of Cleveland, contributes the first of a series of papers on "Trust Companies—Their Organization, Growth and Management." These papers will be, we feel sure, a noteworthy contribution to financial literature, and will be read with interest and profit by bankers as well as trust company officers.

Practical banking matters also occupy considerable space in this issue. A Philadephia bank accountant furnishes an improved system of bookkeeping that appears to possess substantial merit; an-

other contribution handles, in a thorough manner, the collection department of a modern bank. Both these papers are illustrated with numerous facsimiles of the books and blanks used in the transactions described.

Besides the special papers mentioned, there are the several features which are regularly maintained in each issue.

Among the special articles to appear in the February number will be the following:

RALPH M. EASLEY, Chairman of the Executive Council of the National Civic Federation, contributes an interesting article in the series of papers on the Relations of Labor and Capital, continuing the discussion begun by Mr. PARRY in the November issue and sustained by Mr. GOMPERS in the December number.

Mr. CHARLES A. CONANT, the well-known economist and monetary expert, writes on "The Elements of Credit," showing particularly the relation of credit to banking operations.

Never before in the long history of THE BANKERS' MAGAZINE has it had so large a circulation or such extensive advertising patronage as now. The MAGAZINE is not only maintaining the position it has long held as the leading monetary and banking periodical of the world, but its power and popularity are constantly growing. It will be the continuous aim of the publishers to keep the publication up to the highest possible standard—to make it a worthy representative of the vast banking and financial interests of the country.

AVERSION TO COMBINATIONS, whether in the form of corporations or so-called trusts, is easily aroused. The dread of monopoly of any kind is strong upon the average man. The day of exclusive privilege in trade, supported by sovereign power, has passed by. Even in countries where the form of government is still more or less autocratic, the wisdom of equal rights in trade and commerce is recognized. Under the free institutions fostered by the republican governments of the United States and of the several States, all citizens are entitled to equal business privileges. Although monopoly in the strictest sense is deprived of all legal support, yet experience proves that there will always be, even with the freest competition, room for the existence and growth of the same evils which accompanied legalized monopoly. The inequalities of wealth, greater means and resources of one citizen compared with those of another, make the richer man appear to the poorer in the light of a monopolist. He can, by this greater command of means, absorb business and shut out his poorer compatriot. Even if there were no corporations or trusts, if partnerships were forbidden, and all business were done by the individual as

distinguished from the firm or corporation, the richer business men would be exposed to having the stigma of monopoly placed upon them by less fortunate or skillful competitors.

Corporations, large and small, are necessary to modern civilization; common sense must admit this. It may be further predicated that corporate combinations of capital for manufacturing and commercial purposes, including transportation with the latter, conduce to a more equal distribution of wealth, although this proposition may not be so generally admitted. The greater wealth and resources of corporate bodies give them necessarily a monopoly of the business they undertake as against individuals. The stronger corporation also monopolizes the business it undertakes as against a weaker corporation, in the same manner as the rich individual can prevent the poorer individual from competing. Competition implies for success equality or something like equality of means. No competitor who is unsuccessful has reason to love or admire the concern, whether individual or corporate, with which through lack of means or skill he has been unable to keep step.

There is no more guaranty that a corporation may not fail than there is in the case of an individual business man. The consequences to creditors and others affiliated with the business as customers or employees is the same in each case. The corporation or trust is merely more conspicuous from its size and the amount of resources controlled. The predjudice against them is in large measure unfounded, or at least is based on unwise exploitation of the principle of incorporation of capital.

Many of the trusts which are said to dominate the land may possibly be the malign monsters which they are represented to be by demagogues and those who are envious of their wealth and power; but none of these assertions and representations have been proved very conclusively against any one of them. The Standard Oil Company has perhaps been as bitterly attacked as any of the so-called monopolistic trusts, and perhaps the rise and growth of no other of these trusts has been so thoroughly ventilated. The commencement, the growth, the various steps by which it has acquired its firm grasp on the production, manufacture and distribution of oil products, have been deemed worthy of a carefully-prepared history in one of the popular magazines. The impression made on the mind of any fair reader is not by any means unfavorable to the great company or to the man who is alleged to be its main originator and present chief. All through this history awful revelations are promised; the reader is at every step told to prepare his mind for some unlawful and tyrannous move. But the revelations really made are nothing more than the gradual steps by which capital and business skill were used to

better the business and secure fair markets for the products. Economies were devised which have made possible the use of numberless by-products that under less concentrated management would have been wasted. Temporary depressions in the oil business, ascribed to the movement of the Standard Oil Company, turn out to have been the natural consequences of blind competition and the wasteful management that flowed therefrom, rather than from the endeavors of the company to control. The talk of the crushing of rivals dwindles down to the taking of these rivals into fair partnership; and where such partnership was refused there seems to be more evidence that disaster came from a pig-headed pride and miscalculation of means on the part of the alleged rivals of the company, than from any deliberate desire to oppress.

In fact, if it were not for the apparently hostile comment which is injected here and there into Miss TARBELL'S history, it would almost seem as if the whole account were devised as a means of glorifying the Standard Oil Company and extolling the high executive and business skill of Mr. ROCKEFELLER. For anything that has yet been brought to light, it would appear that the oil resources of the United States have been conserved and carefully applied by this company, and that these resources, if left to the exploitation of blind competition, would have been wasted to an appalling extent. The cost to the consumer has been reduced over a long period of time by the careful conservation and utilization of all oil products rendered possible by the farsighted and skillful management of the Standard Oil Company. If the lumber and timber resources of the country had been brought under a similarly powerful and farsighted control, there would probably be less room for complaint that the forests of the United States are in danger of exhaustion in the near future.

In the strict sense of the term the Standard Oil Company is not a monopoly. It has not been assisted to secure the control of the oil business by special legislation or Governmental grant. The conditions under which it has consolidated its power have been the same as those which any citizens or corporations might have availed themselves of. And the same may be said of the other alleged oppressive trusts. In the largeness of these combinations which merely concern the utilization of some natural product, there should be no reason for popular or political apprehension. It is not necessary to recite the arguments which prove that these combinations of capital were the outgrowths of natural laws. Every one must know that they are a necessity in the collection and distribution of products in a nation possessing so great a territory and such diversities of soil and climate. To undertake to stop the growth of corporate bodies,

by means of oppressive laws, is to increase the monopolistic power of those already in existence. The natural check on the abuse of power by a great corporation is the fear of competition by other combinations of capital. Unwise Government interference, by making it more difficult for new corporations to enter the field, really strengthens the position and tends to foster the arrogance of the corporate bodies which are already well established.

THE DEPOSIT OF PUBLIC FUNDS IN THE BANKS will probably be made the subject of some attempted financial legislation in the near future. Senator ALDRICH, who has heretofore been favorable to a measure that would place more Government funds with the banks, may introduce a measure enabling customs receipts as well as those from internal revenue to be so deposited, and extending somewhat the line of securities which may be received for Government deposits.

The Government has now no surplus of income, and the danger of money being locked up in the Treasury is thereby greatly reduced. No one can tell, however, how long this condition may continue; a surplus may at any time reappear, and it will not be unwise to provide for such an occurrence. Moreover, even if there is no surplus of receipts over expenditures during the fiscal year, and even if there should be a deficit, this fact does not preclude the possibility of temporary excess of receipts. The revenues of the Government may accumulate considerably from month to month until the time for expenditure arrives, and if even temporarily locked up in the Treasury may have serious effects on the business situation.

It would be better in the long run, whether there was a surplus or deficit in the annual revenues, to have the funds of the Government remain in the banks exactly like the funds of the general public. Other commercial nations deem this the height of financial wisdom. Senator ALDRICH could not do better than to perfect a measure which would gradually eliminate the independent Treasury as an important factor in the monetary affairs of the country.

The growing scarcity of Government bonds obtainable for use as security for United States deposits will make the temptation very strong to open the door to securities of other kinds. This is a very important matter. There are undoubtedly many State and municipal securities that in the qualities essential for safety to Government funds are on a par with Government bonds. The only difference is that in holding its own bonds the Government can never under any possibility experience a loss, because if the bonds can not be sold they can be cancelled, and the debt of the bank offset against the debt of the Government. In other words, United States bonds

will in equity never be worth less than par to the Government that issues them, although they may not bring par in the open market. State and municipal bonds, if it became necessary to sell them to make good public funds deposited with an insolvent bank, might at the time be below par, and if they had been received as security at par, there is the possibility of a loss. State and municipal bonds, therefore, should never be accepted at par as security. That is, while the Government can always safely deposit with a bank funds to the extent of one hundred per cent. of par value of Government bond security, a lower limit should be fixed for State and municipal bonds, whatever their market value may be when they are received. If State and municipal bonds be included in the security which the Secretary of the Treasury may legally take for public funds, a limit of, say, ninety per cent. of the par value should be fixed for the deposit for such funds. Above this limit, at whatever per cent. the law fixes, the Secretary should not be permitted to go, and it should be left to his discretion to deposit less.

Railroad bonds are on a still different footing. Here the distinction must be made between public and private indebtedness. The revenues of private enterprises depend upon their earnings; those of States and municipalities on taxes. Although cases of default seemingly irremediable can easily be cited with regard to both public and private securities, yet the public securities resting on taxation are in most cases less liable to default either in the payment of interest or principal. No doubt the securities of some railroads are safer investments than those of some municipalities, but nevertheless the general rule holds good.

If no security at all were taken from the class of banks which now take Government funds and deposit United States bonds, it is believed that the percentage of loss would be very small. But it is very certain that if Government funds could be obtained by banks on the same terms as private deposits, it would become impossible for the Secretary to refuse them to many banks which were not fitted to be depositories, either by their resources or the character of their business. The requirement of security enables the Secretary to make to a very large extent a selection of the banks most fitted for his purpose. Others, as a rule, would see no profit under the required conditions. While it may be advisable to admit some public securities other than United States bonds on the list which may be accepted by the Secretary as security for public funds, it is believed that the line should be drawn at this point, and that no railroad bonds or other private securities should be permitted. Under the present law, as now construed, the discretion of the Secretary of the Treasury is very wide, and Congress should take steps to narrow it.

That this discretion in regard to the use of public funds has not been abused is no argument for placing a power that may be abused in the hands of any official, especially when the end in view can be accomplished without so doing.

Before there were so many varieties of good public securities, was often necessary to take personal bonds before placing publ[illegible] funds in the banks. Some one had to pass on these bonds, and the power to do this was entrusted to the Secretary of the Treasury. The provision in the National banking laws which virtually continues this discretion was a survival from the old laws on the subject. The most probable conjecture for its being retained is that the framers of the act thought that under it the Secretary of the Treasury might reinforce United States bonds with other security, because at that time the credit of the Government was not as high as it has since become. But if a bill be passed extending the security which the Secretary may receive, a provision depriving him of his discretionary power ought not to meet with objection.

THE EXTENSION OF THE USE OF THE BANK CHECK as a means of payment by the general public during the last fifty years, has been something to wonder at. Nowhere in the world has this use been developed on a larger scale than in the United States.

The increase in the number of clearing-houses and the continual augmentation of the exchange business of these clearing-houses is an index of the great amount of property that changes hands through the use of checks.

The strict laws which repress and control the issue of bank promissory notes have in a way forced the employment of checks. But this method of transferring bank accounts would never have become so universally employed if it had not been that the means of transportation and communication between different parts of the country have been so improved that to-day San Francisco is for all practical purposes as near to New York as New York was sixty years ago to Philadelphia or Boston. Sixty years ago the business men who could or would make remittances by personal checks on local banks were few indeed. Now the practice has become almost universal. To effect exchanges and payments equal to those now effected by means of checks, how large an issue of bank notes would be required? Every banker knows well that even if the business now safely and quietly completed by the use of checks could be done with bank notes, the cost of printing and keeping such notes in fair condition would largely exceed all that it now costs banks to collect outside checks at par for their customers.

The check is the safest and cheapest method of transferring bank accounts that has yet been devised. For the bank depositor it is the most convenient, and its convenience increases as the personal check of the depositor approaches closer to being a form of universal domestic exchange. Through the use of checks the deposits and loans and the general banking power of the banks of the country have increased to such an extent that there is probably no country in the world where all forms of wealth can be so readily liquidated and exchanged as in the United States.

In regard to the collection of country checks at par, bankers seem as yet to disagree. The general opinion tends to be in favor of such collection without charge to customers. There is not, however, any advantage in extended discussion of this point. Each bank must decide it for itself according to the circumstances in which it finds itself placed. It is a matter which will be favorably solved by the logic of events. No one in 1840 could have anticipated the extensive use of bank checks prevailing to day. In the same manner the question of the collection of checks at par will be settled as time goes on and our present system of banking continues. Instead of discouraging the use of checks, the banks for their own best interests should develop it in every possible way.

THE WORLD'S CHIEF GOLD MARKETS are New York, London, Paris and Berlin. Each of these markets adds to its stock from other sources as opportunity may serve from time to time. The production of the mines and gold from other countries come to these main markets, but when there is a sudden demand for gold in any of these principal financial centres some one of the other three is looked to for a supply. New York and London afford the greatest facilities for obtaining gold. The chief part of the Treasury stock of gold coin and bullion is held in the United States Sub-Treasury in New York, and gold can be obtained there in the form of United States gold coin by presenting legal-tender notes or gold certificates for redemption. The Treasury also gives gold bars in exchange for legal-tender notes at a slight charge above gold coin. Exporters of gold prefer the bars, because they are assured of full weight, the bars unlike the coin not being subject to the abrasion of circulation.

In London British gold coin, sovereigns, can be obtained from the Bank of England by presenting notes of the bank, but when bar gold or foreign gold coin is demanded the bank charges a slight premium. Gold coin circulates more in Great Britain than in the United States, and, therefore, sovereigns taken in quantities are less likely to hold out full weight than American gold coin. They are

therefore less likely to be taken for importation to the United States than American gold coin or bars. Moreover, before sovereigns could be used for circulation in this country they would have to be recoined at the mint, and although no charge is made for coinage, the transportation to the mint and back would entail additional expense.

A large part of the gold which passes from one country to another is kept in the form of bars, which are kept in this form for this purpose. The Bank of France will furnish gold in exchange for its notes, but it has the option to redeem the notes either in gold or silver five-franc pieces; so by exercising the option to redeem in silver the bank has it in its power to control or check the flow of gold from its coffers. In Berlin the Imperial Bank of Germany often throws obstacles in the way of those who seek to obtain gold for its notes, and as it is supported in this by public opinion, those who seek gold for export are less apt to apply in this market except as a last resort.

JOHN LAW'S SPECULATIONS in France in 1720 and the late industrial speculation in this country have been compared with each other by several recent writers. JOHN LAW, to some extent, seems to have had more excuse than our modern speculators, as he was the pioneer in a very fascinating field of which the pitfalls and final abyss were as yet unknown. LAW had undoubtedly many excellent ideas as to the benefits to be derived from the use of credit, and was much less of a charlatan than might be supposed from the direful results of the operations he initiated. His first idea which he put in practical operation, with the assistance of the Regent, was to use the gold and silver coin then current, which was of a heterogeneous character, as a basis for a bank which should issue notes based on a metallic reserve. This plan was similar to that which had been successfully adopted in the foundation of the celebrated banks of Venice and Amsterdam. However, LAW'S bank, which with the consent of the Regent was started as a private institution, was very successful. Specie from all over France was deposited with it and was recoined in a manner to secure uniformity of denomination and weight. This coin was held as a reserve on the notes which were not at first issued in excessive quantity. In fact, the notes were at par and specie could be obtained for them whenever desired. The Regent, however, finding the bank so profitable, bought out LAW and turned the bank into a national affair, enlarging its scope and its issues of notes. Even then the bank was prosperous. The abundance of money made every one feel rich, and when LAW started his great Company of the West, founded on French territory in America, every one was ready to invest in the shares. As the value of the shares increased, the demand for money

also increased, and there was no way to supply it except by additional issues of bank notes. There was no way as yet invented for clearing the extravagant transactions of the speculators. All balances were paid in bank notes, and the greater the rise in the price of shares the greater the amount of bank notes required to enable speculators to realize their profits. The quantity of notes in circulation became so great that when those who held them began to seek for permanent investment for their paper wealth, they soon found that there was not enough genuine property of any kind in which the notes could be invested at nominal value. When specie began to be demanded the bank stopped payment, and all the arbitrary forces of a despotic government were exerted to hold up the value of the notes. Of course the crash came and the bank's money faded into nothingness, leaving a host of deluded and ruined dupes who had only their own greed to thank for the condition in which they found themselves. LAW himself was a ruined man.

The great difference between this French boom and the recent industrial speculation in the United States, was in the money. The bank notes issued by LAW degenerated into what is commonly known as wildcat currency. The money of the United States, on the other hand, was sound and incapable of depreciation, neither could it be increased in amount to meet the demands of speculators.

The late speculations in this country, even taking the highest estimates of the amount of water injected into the capitalization of the properties involved, bore but a comparatively small proportion to the real wealth of the United States. The speculative stocks issued by LAW and his supporters exceeded the wealth of all France at that time. But in neither case was there any serious destruction or reduction of real wealth. After the catastrophe in each case there were still the same elements of value as there had been before. But in each case there was a destruction of confidence and a redistribution of property in different hands.

The only important point to be remarked is that these fevers of speculation, followed by such disastrous consequences to such large numbers, do not seem to produce any deterrent effect on people generally. These speculative crazes recur with wonderful regularity and probably will not cease to recur as long as the desire to become rich without labor is a characteristic of humanity.

The example of LAW and his disastrous fall did not prevent the South Sea bubble in England within a few years afterwards, nor any of the thousand and one speculations of a similar nature which have since been exploited. Nor will the effect of this last industrial specution be borne very long in mind.

THE CONSOLIDATION OF BANKING INSTITUTIONS in Great Britain is exciting great interest there. Some apprehensions are expressed that if the final result of this tendency shall be the concentration of the banking interests of England in not more than a dozen great institutions, and if one of these great institutions happens to meet with misfortune, the consequent disaster would be something unexampled.

The banks of England consist of the Bank of England, the joint-stock banks, and private bankers. The tendency recently has been for the private banks outside of London to consolidate with some of the great London institutions, and it is said that if certain rumored negotiations now under way are brought to a successful conclusion that the result will be an institution which in the amount of its deposits will overshadow the Bank of England itself.

The objections made to consolidations in the United States have not expressed fears that weakness would result, but merely that the concentration of the banking business in the hands of a few banks would destroy competition. Consolidations here are hampered by the inability of the banks under the National Banking Law to establish branches. Banks under State banking laws cannot establish branches outside of State lines. In England, however, the outside banks taken into a consolidation can become the branches of the central bank. Even under all the disadvantages imposed by the banking laws of the United States, one or two very large institutions have been formed by consolidation in New York city. There is no reason to doubt that this process could be continued with even more magnificent results did the real wants of business call for it.

The large banks formed in New York under the National Banking Law are under the restrictions of the reserve provisions of that law, and whatever economy in banking operations is the outcome of the concentration of banking power, there can be no economizing on reserves. In England, however, there is no restriction or requirement in regard to reserve except such as are imposed by the common opinion and custom of the banks themselves. The cash reserves kept by the joint-stock and other banks are usually much smaller than the reserves kept by the banks of the United States.

In England the Bank of England seems to hold the main reserves of the joint-stock banks in a manner similar to that in which the reserves of trust companies are held by our banks. The danger of consolidations in England, therefore, seems to be that the resulting institution will keep less cash reserve than was held by the separate banks out of which it was formed. Ever since the BARING failure there have been complaints periodically made of the small cash reserves carried by the joint-stock banks, and efforts have been made

to secure a change of banking custom in favor of holding greater cash reserves. It is not strange then that apprehensions arise that consolidation may aggravate the weakness of what is already regarded by some as a weak point in English banking. It may, however, be recognized that the general environment of the Bank of England enables business to be safely done with much less cash reserve than would be considered safe in the United States. The contracted territory and the custom of supporting each other in times of emergency, as well as the further support of the Bank of England, an institution which from its connection with the Government and its own great reserves can in such times always count on having its advice followed—as well as a greater use of checks in proportion to all payments—all these tend to make a smaller cash reserve safe. Nevertheless the concentration of banking business would, were there no restriction imposed as to the cash reserves required to be kept, have a tendency to reduce those reserves. The temptation to keep the earning power of all the bank reserves is sufficient to encourage this tendency.

Another weakening effect on the English system might result from the reduction of the preponderance of the Bank of England. After the process of consolidation has produced the anticipated result, the Bank of England will only be one large bank among a number of equals, and may not be able to exert its present preponderating influence, which has had such a conservative effect on English banking.

Although it is not difficult to see that some danger might possibly attend upon new conditions resulting from consolidation, yet it is believed that the apprehensions are probably without any other real foundation than that the movement is something of a novelty, and novelty in so conservative a business as banking always has something unpleasant about it. The enlargement of the cash reserves would appear to be a wise step to counterbalance the fears that seem to arise in consequence of the concentration in bank management.

THE EXPORT OF COMMODITIES for the month of November, 1903, according to the Report of the Bureau of Statistics, established a new record. The excess of exports over imports for November was also greater than for any previous month, except October, 1900. This excess of exports is the more remarkable, as imports, both free and dutiable, have not fallen off to any very great extent, although it is probable that a decline in importations may have begun.

The excess of exports for the year 1903 is some $60,000,000 greater than for 1902, although it is $180,000,000 less than the excess of ex-

ports for 1900, and $140,000,000 less than that of the year 1901. The total exports for 1903, however, come within twenty-two and eighteen millions respectively of the boom years 1900 and 1901. The imports have been rising since 1900, and the imports for 1903 exceed those of 1900 by nearly $160,000,000.

While, therefore, there will not be so great an amount put to the credit of the balance of trade this year, yet the amount in favor of the country is large enough to warrant a belief that there will be a strong reaction in the near future from the shock of the speculative disasters of the summer season. It must not be lost sight of, however, that a very large part of the excess of exports for the month is due to cotton shipments, and that the influence of these has probably nearly exhausted itself. The report of the month of December will be awaited with great interest. It is expected that the falling off in cotton shipments will be made up to some extent if not entirely by exports of iron and steel. The fall in the price of the latter has been followed by greater activity in finding foreign markets.

The report of the foreign trade for November was much better than was expected and undoubtedly brightens the outlook for the business of the coming year. Handicapped as the season of 1904 will necessarily be by the Presidential canvass and election, it does not savor of overconfidence to aver that the country will enter on the coming Presidential year at least in as good condition as it entered on that of 1900. In fact, to those who look upon the course of our foreign commerce as a criterion of the future, the indications this year are a great improvement on those of 1902. If we look upon the great decrease in the excess of exports during the year 1902 as a premonition of the collapse of the stock market during the summer of 1903, in the increase in the export balance of 1903 great encouragement for business in 1904 should be felt.

In all future development of enterprise, greater caution will no doubt be manifested. The setback of 1903 is not likely to be forgotten. The ground will be thoroughly tested before the public will again invest its surplus.

THE REPORT OF THE SECRETARY OF THE TREASURY shows a surplus of $54,297,667 for the fiscal year 1903. For the fiscal year 1904 a surplus of $14,000,000 is estimated, and for 1905 a deficiency of over $23,000,000. These estimates indicate the gradual disappearance of the surplus which has bothered the Treasury for so many years. Nevertheless there is nothing so difficult as to predict what will happen either to the revenues or expenditures of a great and growing nation like the United States, even for two years ahead. New conditions arise with such unexpectedness.

But notwithstanding the fact that these estimates may or may not be relied on, the report shows the finances of the Government to be in an excellent condition. The currency is in a sound state, and there are no fears that the expenditures will not be met with the same ease as heretofore.

The Secretary makes no very important recommendations. He refers to the want of elasticity in the National bank currency and thinks it should be given this quality if possible, but warns Congress that no element should be injected that will weaken its present stability. All our money, he says, is now as good as gold, and no act should be passed authorizing the issuance of anything less safe and secure.

There is nothing very comforting in this to those who have been advocating the issue of a credit currency by the banks, and it seems to voice the general public feeling of contentment with present conditions. Although the Secretary refers to the lack of elasticity in the National bank notes, he does not say anything about the law which now prevents the retirement of over three millions of bank notes in any one month.

On the whole the report is a very conservative one, and differs very little from that of the previous year.

There has been nothing to call for any great display of financial ability during the period since the last report. The finances of the Government have been running smoothly, and the Secretary has had adequate legal sanction to enable him to meet every necessary demand upon the Treasury.

The part of the report relating to the finances is published elsewhere in this issue of the MAGAZINE.

FROM THE ATTITUDE OF CONGRESS during the present session the prediction seems warranted that there will be very little monetary legislation. But it is the unexpected that often happens, and there seems to be enough explosive material in sight which the slightest cause may arouse to activity. The rumors of contention for their separate rights between the House and the Senate, the attitude of the Administration to the new Panama Republic, the canal treaty with that republic, the possible difficulties with Colombia, the desire to make political capital on the eve of the Presidential election, all point to the possibility of an exciting session.

The deliberation manifested so far shows that there is a desire to carefully examine every phase of the situation so that if possible no political mistakes may be made. The treaty with Panama and its bearing upon the construction of the interoceanic canal will, until

the canal question is finally settled, have considerable effect upon the money market. If the treaty should be rejected it would be equal to a virtual repudiation of the recognition of the new republic by the Administration. It seems probable if Congress should fail to ratify the broad construction of the rights and duties of the United States Government on the isthmus, and should confine the exercise of our naval and military powers to merely keeping the railroad open, that Colombia would very soon recover her power over the territory now covered by the new republic. Then negotiations would have to be reopened with Colombia, and there would be a more or less protracted postponement of the canal project.

As a mere political proposition it is difficult to see how a Republican Senate can now refuse to sustain the action of the Republican Administration, even if that action is open to criticism as having violated precedents hitherto regarded as binding. Even if an error in judgment has been made in recognizing the Republic of Panama, the matter has advanced so far that it would be more difficult to retrace the steps taken than to keep on in the way selected. The construction of the canal is not a party question, or at least has not yet become one. If, however, through failure to sustain the recognition of the Panama Republic, and the treaty by which the canal may be assured, the opportunity to build the canal be lost or very much postponed, then it might become a party question of considerable importance. If injustice has been done to Colombia, there is no doubt but it is of a character for which compensation can be made. Although this may increase the cost of the canal, yet it seems the best way to avoid the implication that the Government of the United States purposely used its superior power to violate the rights of a weaker nation which by the MONROE doctrine was supposed to be under its peculiar protection.

THE REPORT OF THE COMPTROLLER OF THE CURRENCY for the fortieth year since the organization of the National banking system shows a total of 7,029 National banks organized, and the number in active operation at the end of the year was 5,147. The difference between these figures represents the banks that have gone out of business through failure, liquidation, or merger with other banks.

The effect of the law of March 14, 1900, on the organization of National banks is very marked, as the number of banks organized since this legislation was enacted is one-quarter of the whole number organized in forty years. The total number which appear to have been so stimulated into existence was 1,765, of which 1,148 had a capital of less than $50,000, and 617 had $50,000 or more. The

provisions of the act allowing a capital of less than $50,000 and permitting the issue of circulating notes to the full par value of the bonds deposited, as well as the provision permitting the issue of bonds bearing two per cent. interest for other classes of bonds held by the public, the difference in present value being paid to the holders, are responsible for this increase. The lower rate of tax on the circulation issued on the two per cent. bonds made them favorites with the banks, and stimulated the issue of circulation.

The business of the National banks has been increasing throughout the year, and although there has been a tendency to trench very closely on the legal limit of reserve, the general condition of the banks is all that can be desired. With the increase of the premium on the two per cent. and other bonds the circulation outstanding has been reduced, but now shows a tendency to increase.

It is a common remark that the National bank currency has no elasticity except that it may gain from fluctuations in the bond market. It is very true that the increase in the premiums of Government bonds has always made the banks desirous of realizing the premiums, and to do this they retire their circulation. But it has long ago been pointed out that if the bonds of the United States could be issued on such terms that their market price did not fluctuate far from par, that this effect would not be so pronounced. In the present two per cent. bonds this ideal condition is closely approached. With circulation issued to the par value of the bonds, and the lowering of the tax on circulation, it is highly probable that the National bank currency will be affected less and less by the bond market and more by the real business demand for notes.

Although this opinion may seem to be contrary to the experience of the past, it is believed that with little or no Government surplus, a circulation based on Government bonds which did not from their low rate of interest attract any investors but the banks, would show a response to business requirements. The present two per cent. bonds approach very nearly to this desideratum.

THE SECRETARY OF THE TREASURY, in his Annual Report, in commenting on the large amount of silver stored in the Treasury vaults, says that this mass of silver is worth in bullion less than half its coining value, "but is all redeemable at the discretion of the Secretary of the Treasury, in gold." By the act of March 14, 1900, it was made the duty of the Secretary to preserve the parity of all forms of money coined or issued; but whether all the silver is redeemable in gold at the Secretary's discretion is exceedingly doubtful, unless such redemption should be necessary to preserve the parity.

INTERNATIONAL MOVEMENT OF SECURITIES.

A French economist, M. Alfred Neymarck, has endeavored to make an estimate of the value of what are usually called securities in France, and also an estimate of the increase in this form of wealth between 1789 and 1889. While it is no doubt very desirable to form some definite idea of the proportion of securities to other forms of wealth, it is of still greater importance to understand what effect is produced upon the trade and commerce of nations by the modern use of securities as an investment. For one thing it is becoming more evident that exchange between nations is to-day more influenced by the securities that pass from one country to another than by the ordinary products which once were the only basis of international trade.

A study of the rise and progress of securities is a very necessary part of the study of modern civilization. These securities are made up of stocks and bonds representing national and municipal debts; of stocks and bonds representing transportation and manufacturing plants; of stocks and shares in all manner of undertakings and enterprises. These securities are the capitalization, in a form readily transferred, of the accumulated wealth of the several countries.

It is the tendency of modern civilization to transmute all kinds of wealth into forms of universal acceptance. Houses, lands, manufacturing plants, railroads, mines, oil wells, cannot be loaded into ships and sent from one continent to the other. But by the medium of securities they are to-day as easily passed from hand to hand, from one end of the world to the other, as are the ordinary commodities of trade. A nation need no longer be dismayed by the temporary failure of its ordinary products. It can throw its lands, it mines, its industries, its future revenues, into the world's markets as pledges and easily tide over many evil days.

The whole tendency of the age is toward the easy liquidation of all forms of property. This has been brought about by the decadence of that narrow patriotism that would confine all individual energy within international lines, consequent upon the improvement of transportation and means of communication throughout all parts of the world, and especially between the nations which are the great leaders of commercial activity. Cosmopolitanism is steadily increasing. But perhaps the main factor in the easy liquidation of wealth has been the growth of banking.

The substitution of paper representatives for immovable or intangible property is not a new device, but it is the assistance of the banks that has given mobility to these paper representatives, and is continually devising ways of increasing the mobility of this form of property.

But whatever effects the increase of securities may have on international trade, they have added a new and important element in the calculation of the actual gains and losses of international commerce. When the business between foreign countries was chiefly the exportation and importation of

the annual production of staples, raw materials or manufactures, it was not difficult to perceive that if a given country exported more than it imported and was entitled to a balance, such country was probably gaining wealth. But the situation becomes more difficult to understand correctly when deficiencies in ordinary products exported can be made good by the further export of the securities representing the immovables of the country. Moreover, with regard to the ordinary articles of commerce, the duties imposed and the regulations of custom houses, of chambers of commerce and produce exchanges, provide for more or less complete statistics. Securities either of this or other countries, however, can be sent out and brought back again into the United States and no one may be the wiser. The present way of judging of the gain or loss of national wealth in the commercial correspondence of nations is still to watch carefully the movement of the precious metals; or rather since gold has so nearly become the universal standard of value, of the precious metal. But the conclusions drawn from this movement in connection with the movement of ordinary commodities are different from those that would have been drawn fifty years ago. Gold importations in excess would appear to indicate that exportations of commodities had exceeded importation, but facts may not bear this out, and the aberration is explained by the movement of securities which have been sent out as the basis of loans or have been sold outright.

There being no way of obtaining accurate or even approximately accurate statistics of the outward and inward flow of the securities used in international financial operations as there is in the case of manufactures, cereals and cotton, the estimate of what the upshot of the trade in securities must be can only be obtained by the study of the movement of commodities and the movement of gold. This estimate may be moderately accurate, but it gives no real idea of the magnitude of the trade or the number of transactions. Balances between nations to-day are paid as often in securities as in gold, and the payment of trade balances is no longer the first or most important motive for the transportation of the metal from one boundary to another.

As has been intimated, the advance in banking enterprise is the prime reason for this successful mobilization of forms of wealth once styled fixed or immovable, and as the banks have undertaken this interchange of international properties they have more and more to be careful of their reserves. Bank reserve is a matter of precedent and custom. Certain lines have been drawn almost arbitrarily, and these lines in the minds of the financial world have marked the limits of the safety of the bank reserves. The tendency of the time among bankers is to strengthen these reserves, or at least to go beyond rather than fall under the recognized safety limit. Therefore when conditions arise requiring replenishment of reserves, the movement of gold begins. It is no longer an excess of trade balance that determines an import of gold. The trade balance may be excessive, but if the bank reserves are already flush, it is not likely gold will be imported. The balance will be paid in securities or may be loaned on securities. On the other hand, when bank reserves tend towards a minimum and require replenishment, gold will be imported, notwithstanding an unfavorable trade balance. Although the maintenance of bank reserves seems the most important factor in modern gold movements, yet it must not be imagined that a favorable trade balance is of

any less importance as an element of prosperity than it ever was. It is the annual net income that fixes the value of the capital behind it. A commercial nation whose real trade balances constantly and continually run behind, would necessarily be in a state of decadence. But of course the value of all importations may exceed the value of all exports, and yet the real trade balance may not be unfavorable. A wealthy nation with large investments in foreign countries, receiving the income on such investments in foreign goods, may show a great excess of imports. But when the portion of imports derived from its own investments is deducted, the balance of the new and current trade may be largely in the nation's favor.

The use of securities in international trade, fostered as it is by the science of international banking, is such an important element in determining the real condition of the country, that more information should be accessible as to the details of the imports and exports of these representatives of wealth. Many mysterious fluctuations of the stock markets might seem less occult, if more was known about this trade in securities by which accounts between nations are settled.

A YOUTHFUL BANK OFFICER.

Ernest R. McDuffie, whose portrait is presented herewith, is probably one of the youngest bank officers in the country, being only fifteen years old.

He is Assistant Cashier of the Bank of Lawton, at Lawton, Oklahoma Territory. He is a native of Texas, and for a time held a clerkship with a real estate firm at Austin. On going to Lawton he became a collector for the bank, and some six or eight months ago was made Assistant Cashier. At the recent convention of the Oklahoma Bankers' Association, which he attended, considerable attention was bestowed on him owing to his youth and position.

VALUE OF AUDITING TO BUSINESS MEN.—The services to be rendered by the public accountant are not confined to the correction of errors and abuses. His training and independent position enable him to suggest improvements in most accounting systems, which would not occur to those in charge of the banks. Where his visits are made periodically they are apt to correct that tendency to get into a rut, which is the bookeeper's most common failing. Ignorance and not fraud is the frequent cause for the failure of firms and corporations, errors which at the beginning would be readily rectified being allowed to cumulate until their effect is disastrous. Of late years accounting as a profession has materially advanced in proficiency and public esteem. It mainly depends on the business man how rapid the progress is to be in the future and to what extent he is to be benefited both in his personal affairs and in his responsibilities as a corporation director.—Herbert Beck in "Annals of American Academy."

INDUSTRIAL STOCKS AS INVESTMENTS.

Most all of the preferred stocks of industrial enterprises carry what are known as cumulative dividends. That is, if the promised per cent. on the preferred stock is not paid at the regular dividend period, the portion not paid becomes a charge on the earnings before any dividends can be paid on the common stock. The overcapitalization of many of these enterprises has been proved by their failure, not only to pay dividends on the common stock, but by their being in arrears in the dividends on the preferred stock. Of course, the arrears which form a charge on the earnings postpone the prospect of dividends on the common stock, and the price of the latter depreciates in consequence. When a company becomes very much in arrears on the preferred stock, it is a good indication that the normal earnings are not meeting the calculations on which the promoters of the company based the issue of stock and the promise of dividends. These calculations may have been made in good faith biased by a spirit of optimism or they may have been colored with dishonesty. But this does not alter the situation as far as the stockholders or the managers of the company are concerned. Whatever the promises and calculations on which the launching of the enterprise depended, the earnings as proved by experience are the criterion by which the real value of the capital, in whatever form, whether preferred or common stock, it may be held. This seems to have been recognized by the powers in control in many cases and readjustment of the status of the preferred and common stock has been attempted.

It is probable, from the indications, that during the next two or three years the public will witness a readjustment of capitalization to the real earning powers. This is not so easy an undertaking as might be imagined, as almost all of these industrial projects depend on processes of production and manufacture that are subject to continual change, owing to new discoveries in chemical processes, and new inventions, and new applications of old principles—not to say anything of new forms of competition and changes in the demands of the public. A company has, in order to keep itself up to date, to be prepared with means to make such betterments in its processes as become indispensable. It is not possible to predicate that the earnings realized at any given time, even if its plants are in perfect condition and provided with the latest and most modern improvements, will obviate the necessity of making provision for unexpected changes and additions which may at any time become necessary. In other words, provision should be made for a sinking fund to take care of necessary betterments and also to return the capital invested in case the progress of the world should outmarch and leave behind as debris the products of the company.

When one invests in mining stock it is understood by the wise investor that he must look to his dividends to reimburse not only interest but capital. It is to a certain extent the same with industrial enterprises. This is what has been overlooked to a great extent both by promoters and investors. After the first excitement of the formation of a combination for controlling

the output of some important material like iron or steel for instance, the managers who become responsible for carrying out the promises of the promoters, find themselves handicapped by the necessities of continued betterments, and discover, even though the earning power may be all that was expected, that the earnings cannot be applied as promised. The last few months have witnessed the spectacle of enterprises with enormous nominal capital brought to a standstill because they could not obtain comparatively insignificant sums of ready money. Every one knows that in many cases, and to some extent in all, this nominal capital was made up of extravagant estimates of the value of plants coming into the possession of the combination, which in reality were deteriorated and in many cases antiquated. The separate elements on which these inflated values were based were so numerous and diversified that it has now become almost impossible to prove that promoters were guilty of anything more than gross ignorance of a situation in which they were assumed to be experts. In the light of experience, the scene of the grand exploitations of 1900 and 1901 recalls the place described by Tennyson, "where blind and naked ignorance delivers brawling judgments, unashamed, on all things, all day long."

There is, however, a lesson to be gained from this experience; not a lesson that will prevent future outbursts of speculative greed, but one which may possibly instruct both promoters and the public in the art of making companies for manufacturing and production on a large scale paying investments.

Many corporations, whether formed for purely financial purposes, for improving transportation or for agriculture, for mining or for manufactures, have been used with sinister effect in compassing the ruin both of the promoters and the contributing public. Banks, railroads, mining companies, have in their turn been abused as the foundation of speculative crazes. Every new form of progressive action is liable to be so used. Whatever its real merit may be, the new enterprise is easily misrepresented. After experience has been gained, with more or less disaster, the enterprise finally becomes known on its true basis, and can no longer be so easily made the means of deception. The solid status as an investment of each new venture becomes known, and is built up on a foundation of previous failures.

The industrial corporations which have been introduced to the investing public in many cases with such unfortunate results will have to repeat the experience of the railroads. They will have to be reorganized and managed on the sole basis of their earning power. This process has already begun. Probably in this process of reorganization there will occur many of the same struggles for control as were conspicuous in the history of railway financing. But the process is now better understood and the investing public will not be so easily victimized. There is every reason to believe that the majority of the industrial corporations are in a condition that will render the process of reorganization far from a difficult one, and that those who are able to retain their stock will not be eventual losers. Perhaps some of the companies may have to be taken in hand by the courts in order that holders of stock may have suitable recognition of their holdings on the basis of the actual money paid for the stock. Stock issued as a mere bonus, or the issue of which is tainted with a color of bribery, should be placed on a different footing from that issued to those who paid in money. Another year should determine the real value of much of the common stock now looked upon with suspicion.

DENOMINATIONS OF OUR CURRENCY.

By Ellis H. Roberts, Treasurer of the United States.

In the wide and varied discussions about the currency little or nothing has been said about the denominations into which the paper in our circulating medium is divided. The matter is of vital consequence, especially in the season of the movement of the crops. It may be worth while to consider the policy which prevailed in this respect in the States before the Civil War, and the division of our paper currency in more recent years.

In the States.

The records of the banks in the first half of the last century are fragmentary and leave much to be surmised. The currency was all the while in an unsettled condition and at times sank into a maze of paper, part of it issued by banks, much of it put out by associations and individuals without legal authority.

Continental currency and the disasters connected with it have passed into history. Conspicuous periods of demoralization in paper currency followed the War of 1812, and came after the wild issues of notes which were a factor in the panic of 1837; the situation was especially grave also in 1841. Specie went almost entirely out of use, and banks found rivals in many States which rushed into circulation currency in denominations often in fractions of a dollar and in unrestricted volume, as no method for redemption was established. Such a monetary chaos was harmful in the highest degree, and could not long be tolerated. Several of the Commonwealths sought to provide through the banks a circulating medium safe and adapted to the needs of business. The struggle was keen on the part of the banks to put out small notes, while there was strong opposition in influential quarters to any denominations below $5, on the plea that only specie should circulate in the lower field. This contest went on all over the country. In Indiana, as early as 1817, a branch bank was putting out bills as low as six and a quarter cents, but the whole system failed within four years. When the State Bank of Indiana was organized, in 1834, the precaution was taken to forbid it to issue bills under $5. In Ohio, in 1838, banks were permitted to issue notes less than $5, but not less than $1. The Bank of Tennessee, regularly chartered, has the distinction of uttering notes as low as five cents. Two States in which the records are in best shape may be cited for further illustration.

In Massachusetts.

In Massachusetts, in 1784, a bank bearing the name of the State was chartered by the Legislature, without provision about notes; but the institution issued bills of the denomination of $1.50, $2.50, $3.50, and $4.50, and of $6, $7, $8, $9, $15, $25, $30, $35, and $40. According to the report of the Bank Commissioners in 1860, a bank was incorporated in 1792 and allowed to issue bills of $5 and upwards, and two more started in 1795, authorized to issue bills

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Treasurer of the United States

of $2 and upwards, while in 1799 all banks in the State were prohibited from putting out denominations less than $5, and the payment of smaller bills issued elsewhere was forbidden. The notes of the Nantucket Bank, curiously enough, were excepted from this prohibition. In 1805, by general law, banks were permitted to issue bills for $1, $2, and $3, to the amount of five per cent. of their capital, and before 1860 the limit was raised to twenty-five per cent. In the last-mentioned year the 178 banks in the State had outstanding circulation in notes of $5 and upwards to the amount of $20,042,749, and in denominations less than $5, of $4,970,002. So that the small bills were in face value one-fifth of the paper circulation.

In New York.

The State of New York early in the nineteenth century suffered severely from irredeemable paper currency. The laws forbade associations from engaging in banking, but left the door open to corporations and individuals, and all sorts of such institutions and persons put out notes for denominations of six cents, of twelve cents, of twenty-five, fifty and seventy-five cents, and for larger sums. The restraining act of 1818 put a stop to all such unauthorized emissions of paper in the State.

In 1835 the circulation of the safety-fund banks was $14,464,023, of which it was estimated that $4,000,000 was in bills less than $5. This was over twenty-seven per cent., and was deemed to be excessive. So in March of that year a law was enacted prohibiting the circulation of bills under $2 after the approaching September, under $3 after March, 1836, and under $5, after September, 1836. But popular sentiment rebelled, and the provision was modified, tolerating $1 bills until February, 1840, $2 bills until July, 1840, and $3 and $4 bills until January, 1841. (History of Banking in the United States, by John Jay Knox, p. 407.)

December 29, 1860, according to the Report of the Superintendent of the Banking Department, the banks of the State of New York had outstanding circulation amounting to $28,239,950. This amount is not classified by denominations nor does the Banking Department in Albany possess such details. The report, however, presents a statement by denominations of the mutilated notes returned and cancelled during the year ending September

Denomination.	Amount Cancelled.			*Outstanding, estimated.*
	Free banks.	*Incorporated banks.*	*All banks.*	
$1	$726,884	$134,961	$863,845	$1,589,525
$2	793,936	148,718	942,654	1,888,501
$3	460,233	173,643	633,876	1,526,020
$5	1,621,865	589,685	2,211,550	6,414,582
$10	791,530	404,960	1,196,490	4,994,975
$20	398,140	121,460	519,600	3,180,205
$25	700	....	700	....
$50	354,500	129,050	483,550	2,793,800
$100	565,100	237,800	802,900	4,977,400
$300	900	300	1,200	....
$400	....	400	400	....
$500	33,500	108,500	142,000	907,800
$1,000	51,000	22,000	73,000	728,000
Unregistered notes	....	1,444	1,444	....
Total	$5,800,288	$2,072,921	$7,873,209	$29,000,808

30, and it is edifying. The whole amount so handled was $7,873,209, or 27.8 per cent. of the outstanding. If it is fair to assume that the ratio of the notes cancelled to the total in circulation, as shown by experience in 1903 with Government currency, may be taken for comparison, the $1 bills in use were about $1,589,525, the $2 bills about $1,888,501, the $3's about $1,526,020, and the $5's about $6,414,582. So that the bills below $5 were over seventeen per cent. of the total circulation, and including $5's and below, forty-four per cent. The table on the preceding page will illustrate the situation.

Postal Currency and Fractional Currency.

Coins of all kinds disappeared early in the Civil War. Bank notes were of $1, or its multiplies. For fragments of the dollar, all, whether of American or foreign mintage, that had been used went into hiding or was sent out of the country. The petty transactions of retail trade and the little services of all sorts called for some device to fill the gap. Postage stamps were the natural suggestion, because at hand at once, and at the same time resort was had until prohibited by statute to the unauthorized fractional notes which had been put out in previous emergencies. The resources of the Post Office Department were strained to supply the demand. Notes bearing *facsimiles* of postage stamps were printed and paid out, first in 1862, for five cents, ten, twenty-five and fifty cents respectively, to the total amount finally of $20,215,635. This "postal currency" was followed by the fractional currency authorized by the act of March 3, 1863, in denominations of three cents, five cents, ten cents, twenty-five cents and fifty cents. The statute fixed the limit of issue at $50,000,000, but that amount was never reached. Although by reissues $368,720,079.51 was put out, the maximum outstanding at any time was $49,566,760.27 on March 23, 1874.

In 1876 Congress directed that subsidiary silver be substituted for this paper. The wastefulness to the people of such fractional notes is proved by the fact that now, more than a quarter of a century later, $15,247,174 has not been presented for payment. Yet within very recent years urgent efforts have been made for the restoration of this mosquito money, with the addition of the offensive device of rendering it payable to order, for remittance by mail.

United States Notes.

Notes payable on demand were put out only in 1862 and were for $5, $10 and $20 to the amount of nearly $70,000,000; they soon passed out of active circulation. In the same year, with the demand notes falling off steadily, but leaving outstanding $53,847 in 1903, began the issue of the currency styled legal tender or greenbacks, and latterly United States notes. They were at first for $5, $10, $20, $50, $100, $500 and $1,000. In the reports for 1863, $1's and $2's appear. Notes for $5,000 and $10,000 were issued in 1879, but none after 1883, nor were any for $1,000 put out after 1889. The issue of $1's and $2's of this class ceased in 1885. The notes for $1 outstanding were at their maximum in 1876 at $28,007,505, and those for $2 in 1874, at $28,117,438. The largest sum in $5's ever outstanding in this class was $95,445,925 in 1866. Since 1900 every denomination of United States notes has steadily decreased, except $10, into which all others are gradually merged.

National Bank Notes.

The continued need of the Government for money for war purposes soon after the rebellion broke out, prompted devices to facilitate the sale of bonds, and among them was the National bank system requiring United States securities as a basis of circulation. At the same time a substitute was sought for the multifarious currency under State laws. National banks began to put out notes December 21, 1863, and they were in denominations of $5, $10, $20, $50, $100, $500 and $1,000. In the report for the year ended October 31, 1865, notes for $1 and $2 appear. The maximum issue of $1's was reached in 1879, at $23,169,677, for the report year, and of $2's the same year at $15,405,038. The highest amount of $1's outstanding was $8,690,157 in 1869, and of $2's, $5,819,240 in 1870. From those sums a decrease nearly constant has taken place in those denominations, as the law of June 3, 1864, forbade their further issue. Of $5's, the maximum ever outstanding at the end of any report year was $131,007,655 in 1874.

Silver Certificates.

When silver certificates were, in the fiscal year 1878, first issued, their denominations were $10, $20, $50, $100, $500, $1,000. Certificates for $1, $2 and $5 first appear in the report for 1887. The maximum of the smaller denominations was reached December 1, 1903.

Treasury Notes of 1890.

The denominations of Treasury notes of 1890 are $1, $2, $5, $10, $20, $100 and $1,000. The highest sum of $1's outstanding at the close of any fiscal year was $15,900,848 in 1898, of $2's was $12,359,654 in 1893, and of $5's, $42,629,855 in 1896. By the operation of the gold standard act all of the Treasury notes are withdrawn from circulation and destroyed, as they reach the Treasury, and they will in due course finally disappear.

Changes in Denominations.

The movement in silver certificates is to change them, and Treasury notes through them, into $1's, $2's and $5's. United States notes, as has been shown, are settling into $10's. These modifications are brought about by the demand for the smallest denominations which exhausts the entire volume of silver certificates redeemed, while the United States notes, as limited by statute, are not adequate to supply the $10's called for by the business community. This is true, although the coin dollars in circulation are $80,799,960, and the subsidiary silver $97,130,806. These items are the largest of their class ever reported. Gold coin of the denominations of $2.50 and $5 also enter into the problem, but no accurate statement of their volume in actual circulation can be given.

All the denominations of Government paper from $20 upwards are passing steadily into gold certificates; and if United States notes are placed on the same basis, where they really belong, all Government currency of $10 and above is becoming the direct representative of gold, while silver stands for $5 and all below.

Classes of the Currency by Denominations.

The report of the Treasurer of the United States of the denominations of all paper currency outstanding at the beginning of December, 1903, is presented to show the concentration of certain sizes in the several classes:

Denomination.	United States notes.	Treasury notes of 1890.	National bank notes.	Gold certificates.	Silver certificates.	Total.
$1	$1,936,354	$701,466	$345,686	....	$80,505,481	$83,488,987
$2	1,489,244	546,834	165,708	....	46,281,796	48,483,582
$5	15,240,715	4,077,750	61,509,770	....	280,440,332	361,268,567
$10	245,615,831	7,071,360	176,947,89	....	39,464,661	469,099,742
$20	36,300,622	2,917,990	130,938,380	$177,487,864	20,674,450	368,319,306
$50	5,802,550	52,900	16,528,100	31,518,305	3,821,060	60,722,915
$100	10,867,200	565,700	34,518,800	47,301,700	1,673,220	94,?21,620
$500	7,217,500	....	96,000	12,584,500	56,000	19,954,000
$1,000	23,191,000	494,000	25,000	50,102,500	24,000	73,936,500
$5,000	10,000	....	....	33,715,000	....	33,725,000
$10,000	10,000	....	....	86,030,000	....	86,040,000
Fractional parts	....	....	36,645	....	....	36,645
Total	$347,681,016	$16,428,000	$421,106,979	$441,739,869	$473,041,000	$1,699,996,864
Unknown, destroyed	1,000,000	....	....	....	....	1,000,000
Net	$346,681,016	$16,428,000	$421,106,979	$441,739,869	$473,041,000	$1,698,996,864

Some Comparisons.

The Bank of England puts out no notes less than £5, or about $25. The notes of the Bank of France range from five francs, or $1, to five thousand francs, or $1,000; but only very few are issued other than fifty francs, 100 francs, 500 francs and 1,000 francs. Conditions in those countries are very different from our own, and no comparisons in denominations can fairly be instituted. With Massachusetts in 1860 having a fifth of its paper currency in bills less than $5, and with New York in the same year having seventeen per cent. in bills below $5, and forty-four per cent. in denominations of $5 and smaller, we cannot wonder at the urgency with which small notes are now called for. For the present percentage of all paper currency in our country is only 7.7 per cent. in bills below $5, and twenty-nine per cent. in $5's and less.

Growth of Small Denominations.

The growth of the smaller denominations of paper currency has been with a few exceptions continuous and large. The volume of United States notes fell from its maximum in 1874, and the reduction took effect in good part in $1's and $2's. In the same period the National banks withdrew many of their notes of the like size. Thus between 1875 and 1880, in these classes, $1's were carried down over $15,000,000, and $2's by nearly $13,000,000. The advance, however, has been general and in amounts so marked as to prompt inquiry

Fiscal Year.	One dollar.	Two dollars.	Five dollars.	Ten dollars.	Twenty dollars.
1862	....	....	$38,940,000	$35,470,000	$33,240,000
1865	$19,781,421	$20,914,512	180,725,699	162,788,813	114,282,785
1870	26,153,772	32,422,360	171,999,361	162,972,432	117,140,654
1875	31,372,914	29,191,584	155,521,965	171,199,890	132,836,402
1880	23,019,354	22,238,773	166,010,823	190,645,131	149,107,627
1885	25,407,419	25,546,045	157,170,120	221,238,403	195,203,093
1890	34,798,323	25,615,949	211,871,811	261,425,886	195,237,520
1895	41,832,224	28,131,232	247,375,499	285,461,362	227,964,104
1896	44,537,258	29,083,566	265,461,184	299,691,016	210,567,880
1897	46,273,924	30,071,400	267,479,752	299,083,827	207,488,216
1898	49,640,862	31,851,280	275,668,617	306,450,397	216,440,186
1899	55,863,307	34,114,021	287,156,940	321,710,742	229,639,506
1900	60,160,201	37,876,886	292,753,989	369,040,682	284,435,296
1901	63,928,162	40,354,514	306,207,834	399,458,072	307,138,276
1902	71,145,930	42,557,459	327,565,154	421,210,602	315,254,706
1903	82,365,781	46,874,268	349,078,307	461,042,962	351,658,706
1903 (December 1)	83,488,987	48,483,582	361,268,567	469,099,742	368,319,306

relative to future needs. This may be studied in the foregoing table in which figures are given for fiscal years, except that National bank notes are reported for October 31, in 1865, 1870 and 1875.

Let it be noted that United States notes above $10 are only $83.398,872, and that the total of that denomination since July 1, 1902, has been increased by $52,156,510 to December 1, 1903, or over $3,000,000 a month. At that rate in a little over two years this resource for creating $10 notes will be used up. Observe again that silver certificates above $10 are only $26,348,730, and above $5 are $65,813,391. The additions to $1's and $2's since July 1, 1901, have been $27,689,903, or more than a million dollars above the excess of the silver certificates larger than $10. The additions to such certificates of $5's in the same period were $56,060,733. The calculation is easy that if all silver certificates shall be applied to that purpose, and be offered for redemption, so as to become available, on this basis denominations of $5's and less can be secured for only twenty-five months.

In the holiday season and in the months when the crops are moved, the small notes available are never in recent years adequate to the demand. Such notes are called for in even increased amounts year by year. They can be issued by the Treasury, it may be necessary to repeat, only to the amount of redemptions of United States notes and silver certificates respectively. As the population increases and business activity is kept up, this deficiency will be aggravated, and the exhaustion of the fountain from which this supply is now furnished is only two years off.

National banks are now restricted in the issue of $5 notes to a third of their circulation. As a consequence that denomination outstanding was $61,509,770 on the first of December, 1903, although such notes ran as high as $100,480,080 in 1881. Yet now the total notes of National banks are $421,-106,979, while in 1881 they were only $358,924,902. Obviously if this restriction were repealed, and the banks would take advantage of the freedom granted, their $5 notes against bonds pledged could be more than doubled, and the supply would for several years suffice for the public needs. With the clamor for $5's thus appeased, a larger share of the silver certificates could go into $1's and $2's and the famine in that field could be to that extent prevented.

Of the three or four score million dollars in gold annually added to our circulating medium, little of it passes into the hands of the people for current use, except upon the Pacific slope. The bulk takes the form of gold certificates, and the law does not authorize these below $20. Immediate relief would be afforded during the most stringent periods, if Congress were to permit the issue of gold certificates for $10. This provision would open the door to the issue of United States notes for $5's as well as for $10's, and so again leave silver certificates in larger measure for $1's and $2's.

In parts of the year some banks receive small notes fit for use to an embarrassing excess. It would seem a burden incident to their trade that they should hold them in reserve until the demand again shall create an equilibrium. That will be no more than proper preparation for recurring seasons, and will tend to reduce the strain now so severe for the crops and the holidays.

The panacea, which has no harmful ingredients, can be provided only by Congress.

FINANCIAL INSTITUTIONS OF PORTO RICO.

Shortly subsequent to the occupation of the Island of Porto Rico by the American forces the Attorney-General of the United States decided the National Banking Act to be operative in Porto Rico. It was not until January, 1903, however, that a National bank was organized in the island. This bank, the First National Bank, of Porto Rico, under charter No. 6484, has a paid-in capital stock of $100,000, and issues bank notes in that amount. Up to the present time it has experienced difficulty in placing its funds, owing to the class of paper offered and the restrictions placed upon it by the National Banking Act, but it is probable that within the near future loans aggregating a considerable sum will be made, and the prospects for its rapid growth and development are most encouraging. This institution has already been designated by the Treasurer of Porto Rico as one of depositories of insular funds.

The reluctance to incorporate in the National system is explained by the same cause which accounts for the relatively restricted use of bank checks, the acute demand for a paper currency of some description, and the other distinctive peculiarities of banking in Porto Rico; the predominant importance of agriculture among the industries of the island, and the consequent necessity of lending and borrowing money on long terms and upon real-estate security—a class of business which is prohibited to National banks. Until the recent issuance of notes by the First National Bank, of Porto Rico, the Banco Espanol de Puerto Rico was the only institution in the island authorized to put out a circulating medium in that form. These notes are floated by Spanish royal decree dated May 5, 1888, but are not accepted in payment of dues to the Federal Government. The Banco Espanol is authorized under said royal decree to issue bank notes in denominations of five, ten, twenty, fifty and one hundred dollars to three times the amount of its paid-in capital. Its charter runs until May 5, 1913. The executive head, the Governor of the Bank, is appointed by the Governor of Porto Rico, and the Insular Government ratifies all changes in the bank's by-laws. The bank maintains no special reserve for the redemption of its notes, but all its side obligations must be protected by a metallic reserve of one-third, with preferred securities at 120 days for the remaining two-thirds. This bank has its main office at San Juan, and conducts a branch establishment at Mayaguez.

The Banco Territorial y Agricola, of Porto Rico, was incorporated in the year 1894 for a period of seventy-five years with a cash capital of $600,000, but by the terms of its charter it is permitted to issue its capital stock to the extent of $2,400,000. The charter authorizes the bank to receive moneys on deposit, discount notes and to do a general exchange and banking business. The chief purpose of the bank, however, is to loan moneys on plantations and other real estate on the island secured by first mortgages thereon on the general plan adopted by the *Credit Foncier* of France. The bank issues its bonds in the sum of one hundred dollars each to the aggregate amount of the mortgages held by it and guarantees their payment, both as to principal and in-

Consolidated Report of Financial Institutions in Porto Rico, at the Close of Business October 31st, 1902

RESOURCES	Banco Español de Puerto Rico	Banco Territorial y Agrícola	American Colonial Bank of Porto Rico	First National Bank of Porto Rico	De Ford and Company San Juan	De Ford and Company Ponce	Credito y Ahorro Ponceño	Caja de Economias y Prestamos San German	Banco Popular San Juan	J. T. Silva Banking and Commercial Company	TOTAL
Bonds		207213.40	463685.75	100000.00			23000.00			5358.40	799257.55
Stock Investments			165385.86	9625.00	30765.07	19315.00				10720.00	235820.38
Amount loaned on Collaterals	113096.21	366481.77	777264.07	70000.00	[illegible]	38343.74	81481.49		19603.90		548105.79
Amount loaned on Personal Securities	331886.34	2841.23	436886.72	8076.00	50190.44	14049.60	153977.59	40663.42		4330.00	1042901.54
Amount loaned on Real Estate	206267.63	585159.28	323490.16		500.00	16009.00	76439.90	4620.67	15973.35		1228459.92
Overdrafts	12461.91				7224.19	2781.16					22467.26
Due from Banks, Institutions & Private Firms	296571.70	[illegible]	95052.05	163399.32	140245.10	116736.12	18353.33	566.27	915.39	146862.95	991353.40
Real Estate—Owned	40000.00	53244.00			8911.34	3789.70	14021.89			22863.40	143997.12
Real Estate—By Foreclosure	25302.00	203250.15			9191.24		5732.91				243476.30
Furniture and Fixtures	2384.68	3682.68	11669.46	580.00	1000.00		3104.26	355.08	222.94	2491.24	25990.34
Expense Account	23428.80	3535.44		4063.03	6692.99	2562.46	9014.32	1549.25	1451.69		52591.82
Bills–Legal Tender Notes	9158.00	475.00	75782.00	18865.00	5507.00	476.00	44000.00	1442.00	142.00	12000.00	200677.00
Bills–Spanish Bank Notes	535440.00	295.00			3350.00		1000.00	555.00	55.00	3500.00	544195.00
Cash on Hand: Gold Coin	69870.00	2688.80	43630.00	1470.00	4545.00	10.00	5000.00	1305.00	20.00	1300.00	133038.80
Silver Dollars	14424.00	2646.00	50000.00	302.00		4000.00	5000.00	102.00	5.00	850.00	77358.00
Silver (fractional coin)	2496.77	240.32	70390.61	487.38	1544.55	813.67	15826.48	400.12	4.70	211.70	92261.30
CASH ITEMS—CHECKS ON OTHER BANKS		433.53	49182.54	127.90	7133.98	2278.79	7000.00				66156.74
Assets not included in above heads	86939.26	15025.55	5872.70	5000.00	66520.05	10237.66	53043.11	310.41	1100.00	24985.91	347046.65
Total	1551925.30	1148109.34	2021304.42	320595.70	366378.50	231702.19	468995.25	52014.22	39608.81	313973.56	6794608.00

LIABILITIES	Banco Español de Puerto Rico	Banco Territorial y Agrícola	American Colonial Bank of Porto Rico	First National Bank of Porto Rico	De Ford and Company San Juan	De Ford and Company Ponce	Credito y Ahorro Ponceño	Caja de Economias y Prestamos San German	Banco Popular San Juan	J. T. Silva Banking and Commercial Company	TOTAL
Capital Stock paid in	582250.00	302425.00	400000.00	100000.00			120000.00	14255.29	18000.00	177400.00	1714730.73
Surplus Fund	50000.00	10799.76	40000.00				13174.82	2785.45		1774.00	168534.03
Amount due Depositors	683774.33	76669.65	1322415.01	115532.60	322055.70	85630.48	194401.81	30651.72	15947.98		3246609.21
Amount due other banks		44815.63	169363.58		4861.18	138473.05			600.00		354239.16
Undivided Profits	654.76	4399.92	39525.53		1849.25	3954.88	19782.60	419.56	229.92	38411.65	109250.37
Interest Account	48607.25			5063.10		3014.27	11539.98	3857.26	2503.56		74585.32
Taxes Accrued											
Other Liabilities not included in above heads	87939.26	688799.35		100000.00	41986.67	130.21	110096.07	14.10	2327.35	96365.84	1126659.70
Total	1551925.30	1148109.34	2021304.42	320595.70	366378.50	231702.57	468995.28	52014.22	39608.81	313973.54	6794608.00

Examined by ____________________

Bank Examiner.

terest, the bonds and mortgages being payable within twenty years, together with interest at the rate of seven per cent. per annum, payable semi-annually.

The Credito y Ahorro Ponceno was organized on February 8, 1895, for a period of twenty-five years, and does a general banking business, conducting also a savings department, loaning upon mortgages and issuing certificates of deposit bearing annual interest at one half per cent., payable to bearer on demand.

The American Colonial Bank and De Ford & Company act as depositories for the custody of funds of the Insular Government, and both of these institutions have established agencies in the internal revenue collection districts of Porto Rico for the receipt of insular funds. The American Colonial Bank was incorporated under the laws of the State of West Virginia on April 4, 1899, with a paid-in capital stock of $400,000. It is also the depository of the funds of the United States kept in Porto Rico. De Ford & Co. is a private institution and a branch of the Boston bank of the same name.

The J. T. Silva Banking and Commercial Company, incorporated for a term of twenty-five years upon the first day of January, 1901, is typical of a large class of bankers in Porto Rico who join with banking an ordinary commercial business. This bank has no depositors and maintains branches at Aguadilla, Porto Rico, and Paris, France.

Banks of issue and discount in Porto Rico required under the old Spanish law, which is still in force in the island, no special charter. The general regulations of the Code of Commerce govern their incorporation and transactions of business. Prior to January 31, 1901, at which time the Revenue Law of Porto Rico was passed by the first session of the Legislative Assembly of Porto Rico, legal provision for the examination and inspection of financial institutions did not exist. This resulted in a diversity of methods and institutions, and private banks flourished. Several continue to-day in connection with commercial enterprises.

Immediately upon the passage of the revenue law, in which the Treasurer of Porto Rico was charged with the duties of making examination into the condition of banking and financial institutions doing business in Porto Rico, a system was adopted requiring each bank to make monthly reports of its condition to the Treasurer of Porto Rico. The Treasurer of Porto Rico appointed Louis D. Harry, Chief of Bureau of Accounts of the Treasury Department of Porto Rico, bank examiner of Porto Rico, and upon the establishment of the First National Bank the Comptroller of the Currency at Washington, in compliance with the provisions of the National Banking Law, designated Mr. Harry as National bank examiner for Porto Rico.

The preceding exhibit is a consolidated report of the financial condition of banking institutions doing business in Porto Rico at the close of business on October 31, 1903.

New Counterfeit $1 Silver Certificate.—Series 1899; check letter D; J. W. Lyons, Register; Ellis H. Roberts, Treasurer; Treasury number B53991423. This counterfeit is printed on thin bond paper, being one-fourth inch shorter and one-sixteenth inch narrower than the genuine. Red and blue ink marks have been placed all over the back of the note, and also a number of them on face. The lathe work on face of note is very scratchy. The portraits of Lincoln and Grant are very crude. The Treasury number is very irregular and out of alignment. The figures look as if they were put on with an ordinary numbering machine, and are a blue-black color. The figure "1" and the seal are of a darker shade of blue than the genuine. The back of the note is very poorly executed, no attempt having been made to imitate the lathe work. The green color is pale and faded. The penalty center of back is so blurred that it can not be read.

TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.

CHAPTER I.

THE HISTORY OF THE TRUST COMPANY MOVEMENT IN THE UNITED STATES.

The term "trust company" has not in the past been one whose meaning was clearly defined; nor is it at the present day so used as to admit of a definition that is both brief and accurate. This doubtless results, in part, from the fact that the trust company is an institution whose characteristics have gradually developed in accordance with the needs of the time and of the community; and in part because concerns doing widely different kinds of business have found it of advantage to adopt the name "trust company," and to incorporate under the laws governing such companies. Even salary-loan concerns and pawnbrokers have made use of the name, and numerous abuses have led several of the States to pass laws prohibiting the use of the word "trust" in titles, except by direct authority.*

Diversity of Trust Company Functions.

Among the thousand-odd trust companies now existing in the United States, a careful analysis of the business actually done would show that the term is applied to corporations whose functions vary greatly. Some are simply banks of deposit and discount; many are Savings banks; some are safe-deposit companies; some are title-insurance or fidelity-insurance companies; some serve chiefly as fiscal agents for corporations, and as registrars, transfer agents, intermediaries in reorganizations, promoters, etc.; some devote themselves to the care of estates and to services as executors, administrators, guardians, trustees, etc. Most companies combine two or more of these classes of functions, while a few undertake nearly all of them. In early years the life insurance and trust business were intimately associated.

Thus it is evident that in tracing the development of trust companies we shall find ourselves treating of institutions which, under the same general name, have performed functions of various kinds. Statistics of any sort regarding trust companies are difficult to obtain, and none can be had which distinguish between the different classes of companies using that name. There is no available means of knowing just how many of the trust companies are doing a trust business properly so called, as distinguished from ordinary savings or commercial banking. It is also to be observed that some of the functions which are coming to be recognized as distinctively those of the trust company have always been carried on to some extent by banks.

What has been said refers to the use of the term by those who are to some degree, at least, conversant with its true or usual meaning. The general public is still curiously ignorant of the signification of the name; and incred-

* This was done in New York in 1900.

ible as it may seem, many intelligent people even confuse the trust company with the "trust."

A ludicrous instance of this was reported at the meeting of the American Bankers' Association in 1897. "In response to a request addressed to the Secretary of State for each State, for a certified copy of the laws relating to trust companies, about half a dozen secretaries transmitted copies of the laws regulating, restricting or prohibiting pools, trusts, unlawful combinations and conspiracies in restraint of trade. The copies of these laws were returned with an explanation that it was the statutes relating to trust companies which act as trustee, executor, etc., which were desired. In one case, the Attorney-General, to whom the letter was referred, replied that he regretted misreading the first letter on the subject, but after a thorough search, he was convinced that there were no statutes of his State relating to trust companies, and that, as far as he could learn, there were no trust companies doing business in his State, except the Standard Oil Co." *

Education on the subject has evidently been going on, for the writer has had no trouble in getting satisfactory replies from officials of all the States.

In the following pages the writer has aimed to keep in mind, whenever possible, the distinction between the trust company proper and the ordinary bank doing business under the name "trust company," but the reader is reminded that, in the statistics particularly, it is not possible to follow out the distinction. The reader will also observe that in our day the trust company has, in most States, so far entered into the field of the ordinary bank, that a proper definition would assign to it both banking and trust functions.

Both the name trust company and the idea of its typical functions have been known since early in the nineteenth century. It was not supposed, however, that these functions were of sufficient importance to establish a distinct class of companies for their performance, nor did the trust company as an institution attract general attention until well along in the last quarter of the century.

The First Grant of Trust Company Powers.

The earliest instance of a company chartered with power to perform trust business was that of the Farmers' Fire Insurance and Loan Company, which was incorporated by the Legislature of New York, February 28, 1822.† The act states that certain persons "Associated as a company under the name of the Farmers' Fire Insurance and Loan Company, as well for the purpose of accommodating the citizens of the State residing in the country with loans on the security of their property (which cannot now be obtained without great difficulty) as to insure their buildings and effects, and those of other persons, by loss from fire, and also for such other useful purposes as are hereafter specified, have prayed the Legislature for a charter of incorporation, to be located in the City of New York, which it is reasonable to grant." The company had an authorized capital of $1,500,000, but was permitted to begin with

* Paper by Ralph Stone on "Statutes of the Several States Relating to Trust Companies." Proceedings American Bankers' Association, 1897, p. 158.

† For the facts stated regarding the early history of this company, see Cator: "Trust Companies in the United States," pp. 67-72; and Proc. Amer. Bankers' Assn., 1899, pp. 252-3, paper by Francis S. Bangs. That the company performed trust functions almost from the beginning is also attested by a letter from the Secretary of the company.

$500,000. It was empowered to loan upon farms, houses, factories or real estate; but mortgaged property taken on foreclosure could not be held longer than five years, on penalty of being forfeited to the people of the State. The company was authorized to grant annuities; to insure all kinds of property against loss or damage by fire; to purchase and hold any stock or foreign debt, or the stock of any corporation. It was especially provided that nothing in the act should be so construed as to authorize the said corporation to receive any deposit or deposits, or to discount any promissory note, bond, due-bill, draft or bill of exchange, "nor shall it be so construed as to allow any banking privileges or business whatever."

Two months later—April 17, 1822—the same Legislature passed another act providing "That the said corporation shall also have authority to receive and take by deed or devise any effects and property, both real and personal, which may be left or conveyed to them in trust; and to assume, perform and execute any trust which has been or which may be created or declared by any deed or devise as aforesaid; and the said corporation are authorized to receive, take, possess, and stand seized of, and to execute any and all such trust or trusts in their corporate capacity and name, in the same manner and to the same extent as trustee or trustees might or could lawfully do, and no further."

There appears no reason to question the statement of the company that this was the earliest bestowal of such powers upon any corporation in the United States. It will be noticed that the powers granted are quite as broad as those now usually given to cover trustee work, though the language is more concise and less explicit than that contained in most modern charters. That the growth of this part of the company's business was rapid is shown by the fact that the life-insurance business, which was looked upon at first as its chief field of operations, soon began to be neglected in favor of the trust business. This line of work, once established, grew steadily, and it was finally found advisable to give up the insurance business altogether. In 1836 the name was changed to the Farmers' Loan and Trust Company.

Eight years later—in 1830—another company was established in New York city with practically the same powers. This was the New York Life Insurance and Trust Company, whose capital was one million dollars, and which was empowered to write insurance on lives, and to execute trusts of every description. For many years after its incorporation, life insurance was the most important branch of its business, and it still (1903) makes a feature of annuities. This company "has never had accounts such as are carried by commercial or Savings banks, its deposits in trust being largely moneys of executors, trustees, associations, etc." * It declines all corporation business, and administers only private trusts.

It was not long before the trust business took root and vigorously developed in New York's old rival, Philadelphia. Strangely enough, however, the suggestion of taking up the new line of business came not from New York, but from the far East. This fact would seem to establish that, however successful the experiment may have seemed to the Farmers' Fire Insurance and Loan Company, it attracted comparatively little attention among other concerns in New York, and almost none ninety miles away, in Philadelphia.

* Letter from the President of the company.

Gathered in the Merchants' Coffee House in Philadelphia—which took the place of the business men's club of our day—as early as December, 1809, a group of prominent philanthropists and financiers of the Quaker City had determined upon the incorporation of a company for the insurance of lives and the granting of annuities. Three years later, on March 10, 1812, the Governor approved the charter, which had been granted by the Legislature only after much opposition, and later in the same month the company began business with an authorized capital of half million dollars. It prospered sufficiently to declare its first dividend of four per cent. on the capital paid in, on July 3, 1815. Its business during these early years, and up to 1836, was correctly decribed by the title of the company—a title which it still retains—the Pennsylvania Company for Insurance on Lives and Granting Annuities. In 1829 the attention of the officers of the company was attracted to a new line of business. "The great success of what in India at this time were called agency houses was irresistibly drawing the attention of financiers toward them. These were concerns organized to transact business for trustees or individuals, to receive moneys on deposit and to administer estates, and the advancement of the Pennsylvania Company in its chosen work induced its officers to desire an expansion in this new direction."* On February 4, 1830, the directors appointed a committee to report on the advisability of entering on "the receipt of money from persons, and, in consideration thereof, carrying out or executing such trusts as the persons giving the money should designate." The committee reported in favor of the project, the attorneys to whom was referred the legality of the undertaking gave their approval, and in January, 1831, the officers were empowered to go ahead with the performance of the new line of work. But for some unexplained reason the work was not taken up, and the efforts of those who wished to push the matter were not successful until February 25, 1836, when the Legislature granted and the Governor approved a supplement to the charter, authorizing the company to enter into the business of executing trusts.

The powers granted were: To accept and execute trusts of every description; to be appointed trustee, assignee, guardian, committee or receiver; to receive moneys or other property, real or personal, in trust or on deposit, to accumulate the interest thereon, or to allow and pay the same.

As trustee, assignee, etc., the company was not required to give bond, the company's capital and assets being taken as the security required by law. The charter contained a provision that any court which appointed the company to any trust position might appoint a suitable person to investigate the affairs and management of the company; said person to report "The manner in which its investments are made, his opinion of the ability and integrity with which the affairs of the company are conducted; of the prudence and safety of its investments and the security afforded to those by whom its engagements are held; the expense of every investigation so made shall be defrayed by the said company." The provision was also made that the company should pay a reasonable rate of interest upon any sums not less than one hundred dollars collected in its capacity as trustee, assignee, guardian, committee or receiver, and that it should accumulate the surplus income of any minor's estate by adding interest annually on the whole as a new princi-

* "Sketch of the Pennsylvania Co. for Insurance on Lives and Granting Annuities," p. 32.

pal. The power to act as executor and administrator was not given until seventeen years later—in 1853.

Upon the new field of business thus opened to it, the company entered with vigor, the six years of delay in obtaining the necessary authority seeming to have prepared the way for a rapid accumulation of trust business. "In the course of a few years the trust transactions became one of the most profitable as well as most important features of the institution, and this feature forms to day its chief business. The rise of the trust department followed the gradual decline of the life-insurance branch. The practical relinquishment of this business became an advisable policy of the company when the field was occupied by the numerous organizations which, in order to meet rising and acute competition, adopted methods that could not commend themselves to a corporation having charge of so large a number of trust estates."*

During the next month of the same year (March 17, 1836) a charter granting the same trust powers was given to the Girard Life Insurance, Annuity and Trust Company. This company also began at once the accumulation of trust business, which increased at a satisfactory rate;† although it seems not to have made this business its main feature at first, as did the Pennsylvania Company from this time on.

The year 1836, then, saw in active pursuance of the trust business in the United States four companies, two in New York city and two in Philadelphia. During the years that immediately followed and down to the present time, their business in the trust department, as well as in other lines, has steadily grown, and they are among the leading companies of to-day. The Pennsylvania Company had, in 1863, accumulated a surplus of profits equal to its original capital of $500,000, and thereupon increased its capital to $1,000,000, distributing a stock dividend of 100 per cent. to its shareholders. It 1869 its business was divided into departments—the trust department, the department of insurance on lives and granting annuities, and the banking department. But no life insurance policies have been written since 1872, nor any annuities or endowments since 1873. The safe-deposit department was added in 1872, in which year it also increased its capital to $2,000,000.‡ In 1895 the company controlled one hundred and thirty-six millions of securities held in trust, taken at their par value, and received during the year more than a million dollars for rentals.§ In 1903 it reported a capital of $2,000,000, surplus and profits over $3,000,000, and deposits of nearly $16,000,000 in its banking department.

The Girard Company, which on June 22, 1899, changed its name to the Girard Trust Company, reported on May 29, 1903, trust funds amounting to $60,581,457.82, aside from trusts of securities amounting to $144,013,000 and other trusts not capable of being expressed in figures. Its deposits were nearly $22,000,000, its capital $2,500,000, and its surplus and profits $8,706,356.62.‖

The Farmers' Loan and Trust Company, of New York, had, by January 1, 1880, accumulated deposits of over $6,000,000. This increased to $24,000,000

*"Sketch of the Pennsylvania Co. for Insurance on Lives and Granting Annuities," pp. 37-38.

† Letter from the trust officer of the company.

‡ History of the Pennsylvania Company, pp. 45, 49, 51, 52, 136, 144.

§ Cator, p. 75.

‖ Published statement of the company.

in 1890, and to $41,500,000 in 1900.* On June 30, 1903, its total resources amounted to nearly $59,000,000; its deposits in trust being nearly $46,000,000, other deposits nearly four and one-half millions, its capital $1,000,000, undivided profits a little over $7,000,000.†

The New York Life Insurance and Trust Company had, on June 30, 1903, resources of about $35,000,000, capital of $1,000,000, surplus and profits of nearly $4,000,000, and deposits in trust of nearly $27,000,000.‡ This company, as already stated, has no deposits other than trust deposits.

Of all the trust companies now in existence, these four were the only ones which began business prior to the year 1853. There were, however, a few other companies incorporated in these early years which have long since gone out of business, and which bore the name of trust companies.

The Ohio Life Insurance and Trust Company, of Cincinnati, was incorporated February 24, 1834, and began business in January of the following year.§ It had a trust department and a banking department. Its powers included the issuance of circulating notes, and the leading object of its incorporation seems to have been the supplying of capital for the business of the community. For many years the company did a large business, though, on account of losses, its dividends were not so great as had been hoped. For the first seventeen years they averaged not quite six and one-quarter per cent. per annum. Early in 1852 the trust department had assets of $2,750,000. In addition the banking department had assets of over $1,345,000. The last years of this company were filled with troubles over the State tax question, the company being called upon for taxes of about $100,000 per year. The failure, which occurred August 24, 1857, and which precipitated the panic of that year, was attributed by the President of the company to "loans to parties unable to respond at this time."‖

The passage of the Free Banking Law in New York, in 1838, was followed very soon (in July, 1838,) by the incorporation of the North American Trust and Banking Company, of New York city.¶ Under the law, the company could discount bills and notes and other evidences of debt, and loan money on any kind of security, real or personal. The company had a brief but strenuous existence. Its capital "in cash, bonds and mortgages was between two and three millions of dollars, and upon this the directors and managers contracted debts and loans to the amount of $18,000,000."** In January, 1839, the company purchased $1,200,000 bonds of the State of Indiana, giving its notes in payment. It also bought Ohio State stocks, giving negotiable time certificates of deposit. For many years after the failure of the company the courts were occupied with litigation regarding the legality of these transactions and the creditors included many anxious investors on the other side of the Atlantic.

Another concern that passed like a comet through the financial sky of these days was the Kentucky Trust Company, which failed in 1854, after a very brief career. It had been chartered with an unlimited capital.

In 1853 there entered into business another company in New York—the

* Cator, p. 72.
† "Commercial and Financial Chronicle," July 25, 1903, p. 201. ‡ Ibid., p. 204.
§ BANKERS' MAGAZINE, July, 1852, Vol. VII, p. 74.
‖ Ibid., September, 1857, Vol. XII, p. 240. ¶ Ibid., November, 1854, Vol. IX, p. 349.
** Ibid., November, 1852, Vol. VII, p. 341.

United States Trust Company, which "was organized for the purpose of doing a trust business, and transacted such business from the beginning of its existence." * In 1857 the Merchants' Loan and Trust Company, of Chicago, the oldest existing bank in the State of Illinois, was granted a special charter by the Legislature of that State. Under this charter the company was authorized to do a general trust as well as banking business; but it did no trust business until about 1880, and has not made a specialty of such business until the last four or five years. Its trust department was not organized until 1901. † There were some other companies with the word "trust" in their titles incorporated in Illinois at this time and a little later, but they were essentially State banks with a different name. Among these were the Chicago Loan and Trust Company, chartered in 1857, and the Real Estate Loan and Trust Company. Neither is now in existence. ‡

It is thus evident that down to the time of the Civil War the number of companies having the word "trust" in their titles was very small, and the number that actually undertook the trust business probably did not exceed half a dozen. That there were not more trust companies organized during this period seems at first thought somewhat remarkable in view of the success of the four companies first mentioned, and in view of the fact that this period was prolific in the formation of State banks. President Jackson's successful fight against the second Bank of the United States, followed by the removal of the public deposits to "pet banks," and the downfall of the Government bank, opened the field for new financial institutions. That field was, however, almost wholly for concerns that issued circulating notes, and this function was evidently not a part of the business of insurance companies, which were at that time, as we have seen, the only corporations engaged in the trust business. As several recent writers have pointed out, the business of handling deposits, which is now so important to most trust companies, was then of slight consequence as compared with that of note issue.

Relative Progress of Trust Companies and Savings Banks.

Another point of interest in this connection is the relative progress of the Savings bank and the trust company movements. Each had its origin in semi-philanthropic effort (as did also the insurance business), though doubtless the Savings bank movement partook more especially of this characteristic. The two classes of institutions were established at about the same time, the first Savings banks in the United States having begun business in 1816—one in Philadelphia and one in Boston. The growth of the Savings banks, after the first few years of experiment, was rapid, and they became an object of public interest almost from the start. There were thirty-six Savings banks in the country in 1830, with deposits of nearly $7,000,000; in 1835, fifty-two banks, with deposits of over $10,500,000; in 1850, 108 banks, with deposits of over $43,000,000. In 1885—about the time that the trust company movement began in some earnest—there were 646 Savings banks, with deposits of $1,095,000,000. § Trust companies, on the other hand, were established half a century before they began to attract general attention, and where known at all in the early years the trust business was looked upon as only one of the

* Letter from Secretary of the company.
† Letter from the Secretary of the company. ‡ Cator, p. 19.
§ Report of Comptroller of the Currency, 1902, p. 420.

less important functions of insurance companies. For this marked difference in the early history of the two classes of institutions, one explanation suggests itself which is quite sufficient to account for the difference. It is that the Savings bank movement began when the country had reached a condition wherein its need was felt, while the trust company was established in advance of any recognized need. Indeed, as we shall see, the conditions which make possible that part of the trust company's business which has to do with large enterprises of a corporate nature have not existed until within the last decade or two.

It will be interesting to get an idea of the way in which the trust business was regarded in New York about the middle of the last century. In THE BANKERS' MAGAZINE for November, 1854, * there appeared an article on "The Trust Companies of New York." These are given under three heads, viz.:

1. The New York Life Insurance and Trust Company.
2. The United States Trust Company, of New York.
3. Life Insurance Companies.

The Farmers' Loan and Trust Company is included with regular life insurance companies under the third head. Of the United States Trust Company, it is remarked that it does no life insurance business—only "receiving moneys on deposit, and executing trusts." The figures are given for the two companies above named, among the items for the New York Life Insurance and Trust Company, being "deposits in trust, trust accumulation, life insurance, annuity granted, and receivership account." After a description of the two companies, the article proceeds: "There are other companies in the city which, if not strictly termed trust companies, are yet so in fact, as they are the depositories of funds that will not be demanded for a long series of years, and on the solvency and stability of whose affairs much depends. We allude to the life insurance companies."

ORGANIZATION OF TRUST COMPANIES AFTER THE CIVIL WAR.

The last year of the Civil War and the years immediately following saw a very distinct movement toward the formation of trust companies, and marked its spread into new territory. Of the companies now in existence forty-two began business during the years 1864–1875. † In the eight years following 1865 about thirty-seven new charters were granted in Pennsylvania; very few of them, however, were used. ‡ Many of these companies were in their early years not trust companies, but ordinary banks. The States represented were Pennsylvania, New York, New Jersey, Maryland, all the New England States except Maine, Illinois, Iowa and Georgia.

The Union Trust Company, of New York, was chartered in 1864 and began its work in 1865, transacting a trust business from the beginning. § The Trust and Deposit Company of Onondaga, at Syracuse, N. Y., began business in 1866, undertaking from the first such trust business as was committed to it. ‖ The year 1867 saw the beginning of the Safe Deposit and Trust Com-

* BANKERS' MAGAZINE, Vol. IX, p. 321.

† See dates of organization of the various companies, given in "Trust Companies of the United States, 1903," published by the U. S. Mortgage and Trust Co., of N. Y.

‡ Cator, p. 16.

§ Letter from the trust officer of the company.

‖ Letter from the Secretary of the company.

pany, at Pittsburg, Pa., and of the Rhode Island Hospital Trust Company, of Providence, R. I. One of the leading objects of the organization of the latter was to serve as a pecuniary helper to the Rhode Island Hospital, then in its infancy. This company, which was modeled in part after the United States Trust Company of New York, was given a threefold character by its charter: "First, a bank, with all banking powers except that of issuing a currency; second, a Savings institution; third, an incorporated executor, administrator and trustee of the estates of decedents and of the living who might desire to avail of its services." *

In 1868 were chartered the Brooklyn (N. Y.) Trust Company, which commenced a trust business at once; the Worcester Safe Deposit and Trust Company, of Worcester, Mass., which, however, did not accept any trust until 1881; and the Hartford (Conn.) Trust Company, which did not enter into a trust business until 1899.†

Among other companies chartered in New York during the sixties were the New York Guaranty and Indemnity Company, 1864; the National Trust Company, 1867, and the New York Mercantile and Trust Company, 1868.‡ All three have passed out of existence.

Boston now became interested in the movement, and in 1871 the New England Trust Company, which had been chartered in 1869, began business, receiving its first trust in May of that year.§ The Massachusetts Trust Company, of Boston, chartered in 1870, also began business in 1871, but did not engage actively in the trust business until 1887.‖ By 1875, besides other companies in New York, Pennsylvania, Connecticut and Massachusetts, there had begun the Camden Safe Deposit and Trust Company, of Camden, N. J., which exercised at once its powers to act as executor, administrator, guardian, agent, etc.; ¶ and the Illinois Trust and Savings Bank, of Chicago, which, though authorized by its charter to accept and execute trusts, did not use such authority until 1888.**

Meantime during the sixties there had come into being a class of institutions whose business is now being taken up very generally by trust companies —namely, the safe-deposit companies. The Safe Deposit and Trust Company, of Baltimore, Md., was organized in 1864 as a safe-deposit company only, its trust business being taken on in 1876.†† TheFidelity Trust Company, of Philadelphia, was established in 1866 as the Fidelity Insurance, Trust and Safe Deposit Company. While this company undertook the other lines of business indicated in its title, it made a specialty of the safe-deposit business, and claims to be the pioneer company in the country in this business.‡‡ THE BANKERS' MAGAZINE for October, 1866,§§ mentions the recent organization of the Safe Deposit Company, of New York, which by its charter was restricted to the safe-keeping of valuables. The renter of the safe exclusively held the key. Rents for the safes were $20, $30, $35, $40 and $45 per annum. The article says: "A similar company has been formed at Philadelphia and

* Circular issued by the company, giving its history.

† Letters from officers of the companies. ‡ BANKERS' MAGAZINE. Vol. 29, p. 678.

§ Letter from the trust officer of the company.

‖ Letter from the Secretary of the company.

¶ Letter from the Treasurer of the company.

** Letter from the Secretary of the company.

†† Letter from the Vice-President of the company. ‡‡ Ibid.

§§ BANKERS' MAGAZINE, Vol. XXI, p. 316.

Cincinnati, and others are proposed in large cities." The same MAGAZINE in September, 1871, stated that there were many such companies in New York, Boston, Philadelphia, Hartford, Chicago "and other cities." The other cities must have included Baltimore and Cincinnati. It mentions the Chicago Fidelity Safe Depository, just established, with which was to be associated the Guarantee and Investment Association. The latter had a fiduciary and an executive department, and handled the "management of estates and executory trusts."* The company had scarcely been well started when the great Chicago fire occurred. Its vaults were unharmed, and there was "not a paper scorched, or wax melted."† In a list of five concerns doing this business in New York city are included the National Park Bank vaults, and the firm of Ball, Black & Co., jewelers. The arrangements of one of the Philadelphia companies are described, and they show that this business was conducted in most particulars as it is now, but with more red tape. Accommodations were made for ladies, in some of these companies. Doubtless the organization of safe-deposit companies afforded great relief to the banks, which (as is the case still in some communities) did a great deal of safe-deposit work gratuitously. In 1873 THE BANKERS' MAGAZINE referred to the "habit of leaving bonds, etc., for safe-keeping in the vaults of banks," and added that "a bank is never paid" for such services.‡ This is not the only function of the modern trust company that the old-time bank used to perform without charge, and also without legal responsibility.§

FREEDMAN'S SAVINGS AND TRUST COMPANY.

An account of the companies doing business during this period would be incomplete without reference to the Freedman's Savings and Trust Company, although this was a Savings bank rather than a trust company. This institution was established through the efforts of Charles Sumner and others, in 1865, as a measure of philanthropy to aid the negroes in accumulating property for support in their newly-gained state of freedom. For some years its business prospered greatly, and thirty branches were established in the Southern States. In 1870 its charter was amended so as to loosen the restrictions on its investments; and this action, together with the panic of 1873, proved disastrous. The company became insolvent in July, 1874, and its failure was the source of great distress among the poor negroes who had trusted the institution fathered by the Government. The depositors numbered 72,000, scattered over thirteen States. The liabilities at the time of failure were $3,037,560; the amount paid creditors, after a delay of several years, finally amounted to sixty-two per cent. of their claims.‖

COMPTROLLER KNOX'S CRITICISM OF SOME OF THE TRUST COMPANIES.

Among other companies that suspended during the panic of 1873 were the Brooklyn Trust Company, the Union Trust Company, the National Trust

* BANKERS' MAGAZINE, Vol. XXVI, pp. 161 to 164. † Ibid., Vol. XXVI. p. 632.

‡ Ibid., Vol. XXVII, p. 871.

§ In 1876 a decision rendered by Justice Allen stated that National banks are not authorized to receive articles for safe-keeping, and cannot be held responsible for same. BANKERS' MAGAZINE, Vol. 30, pp. 222-229.

‖ BANKERS' MAGAZINE, Vol. XXIX, p. 936, and Vol. XLII, p. 909; Keyes: History of the Savings Banks of the United States, Vol. II, pp. 558 et seq.

Company, and the Warehouse Security Company, of New York.* The loose methods pursued by many financial institutions, and the craze for speculation and money-getting, which were largely responsible for the panic, called the attention of the Comptroller of the Currency to the different kinds of banking organizations. Among these the trust companies did not escape his attention. In his report for 1873–74 the Comptroller (Hon. John J. Knox) says: † "Trust and loan companies are usually organized, by special State statutes, in the large cities. Their capitals, deposits and business are quite large in amount. Reports are not required, and inadequate when given. For instance, one of the largest of these institutions has published but one report in the year, and that report contains only a statement of its assets, without any mention of the amount due to its depositors, or of any of its liabilities. The Bank Superintendent of New York, in reply to an inquiry in reference to these institutions says (under the date of July 31, 1873): 'The Trust Companies of New York are peculiarly situated. Some are under the control of the Comptroller of the State; but the great majority of them are under no sort of supervision. * * * This class of corporations has multiplied rapidly during the last few years. * * * I am not able to furnish a copy of the charter of any of these companies.'" The Comptroller adds that he had received some reports from trust companies, but not enough to publish without making the report "delusive." He had better fortune the following year, and statistics of trust companies are found in the Reports from 1875 on. In his report of 1875-76, the Comptroller says that the reports from Philadelphia were furnished cheerfully by the officers of the companies, "although they expressed doubt whether they could properly be classed as banking institutions." ‡ If they are living now their doubts are probably removed. The Comptroller also says: "Several of the companies state that they hold very large values, amounting to many millions, in trust, which are not the property of the companies, and are not, therefore, returned by them as deposits proper." The same thing is true to-day, and for this reason statistics of trust companies do not convey a correct idea of the amount of property actually under their control.

PROPOSED PUBLIC SUPERVISION OF THE COMPANIES.

Agitation to bring the trust companies under some sort of supervision was going on at this time in several States. The Bank Commissioners of Connecticut, in their report for 1872, recommended that instead of the annual returns to the Commissioners then required, there be quarterly reports, and that same be published in the newspapers.§ Such a law was enacted in 1872. ‖ Connecticut had five trust companies at the beginning of that year.

The Superintendent of Banking of New York, in his report of December, 1873, recommended that the trust companies be brought under stricter State supervision. At this time some of them were under no supervision at all, while some reported either to the State Comptroller, the Superintendent, or to a Judge of the Supreme Court.¶ The Superintendent's recommendation

* "Commercial and Financial Chronicle," July 26 and Aug. 30, 1873. Report of U.S. Comptroller, 1873, p. 90. † Page XLIII. ‡ Page LX.

§ BANKERS' MAGAZINE, Vol. XXVII, p. 256. ‖ Ibid., Vol. XXVIII, p. 184.

¶ Cator, p. 51.

was adopted, and the companies were brought under his supervision in 1874.*

Competition Between Trust Companies and Banks.

Evidences that trust companies were now beginning to attract some attention from the general public, and considerable uneasiness among other classes of bankers, is found also in the increasing number of comments upon them in the financial papers as well as in the Reports of the Comptroller of the Currency. In The Bankers' Magazine for January, 1874, † is found this statement regarding "Trust and Loan Companies": "They were intended as repositories for trust funds, for the accumulation of deposits to be loaned on mortgage, and for investments in Government loans, in other words as Savings banks on a large scale. Recently they have been converted into stock-jobbing concerns, apparently for the benefit of stock operators, and in large sums." The article refers to the remarks of the Comptroller of the Currency in his Report for 1873, already quoted (p. XLIII). Two years later (April, 1876), the same magazine has this to say:‡ "Recent events have led to some solicitude in regard to trust companies in this State, and the reports of these institutions have been scrutinized with unusual interest." On January 20, 1883, the "Commercial and Financial Chronicle" said:§ "An important feature in our financial situation is the rapid extent during late years of the business of the trust companies of this State. Not very long ago, their position was what their name implies, that is, institutions for safely keeping and managing trust funds. More recently they have been running into a general banking business, and now hold a position not very unlike the joint-stock banks of London, which take deposits on interest, loan them out as best they can, while leaving to the Bank of England the burden of carrying the reserve. In a similar manner the trust companies are dependent upon the reserve of the associated banks, while becoming active competitors for general deposits, very large lenders of funds on collateral securities and the leading buyers of paper in the market. * * * If the future growth of these trust companies is to be measured by the past growth, it will not be long before they will carry deposits one-half or two-thirds as large as the banks." Two years later ‖ the same periodical, referring to the Report of the New York Superintendent of Banking, remarked: "He says the number of trust companies has increased beyond the wants of the State, and a general law will be a benefit, by helping to check their multiplication." In all this the Superintendent only gives expression of the prevailing opinion. "Trust companies are needful, but only for certain well-defined purposes; they are misnamed and in some cases misleading when, in the garb of a trust organization, they exercise the powers of a bank."

Steady Development of the Trust Companies.

Notwithstanding many such complaints as these, the trust company movement went steadily forward, and encroached more and more upon the field

* The tendency to the passage of general laws was not confined to trust companies, however, but extended to other State banking institutions. See "State Banking in the United States," by George E. Barnett, p. 22 and passim.

† Bankers' Magazine, Vol. XXVIII, p. 520. ‡ Ibid., Vol. XXX, p. 777.

§ Ibid., Vol. XXXVI, p. 917. ‖ January 10, 1885. Vol. XL, p. 42.

of the regular banks. To do this they had to overcome not only the hostile criticisms of the financial press, but the force of State legislation as well. In Pennsylvania, for example, the amendment to the Corporation Act in 1881,* forbids trust companies to do a banking business. For many years the question was under discussion, whether Pennsylvania trust companies might legally receive demand deposits. As late as 1898, the Law Editor of THE BANKERS' MAGAZINE expressed the opinion that it was not legal for then to do so.† The companies actually did receive such deposits, however; and in 1900 their right to do so was established by decision of the United States Circuit Court of Pennsylvania.‡ It is still illegal for Pennsylvania trust companies to discount commercial paper, but they may *buy* it!

Another instance of encroachment upon the functions of banks in spite of questioned legality is furnished by the Missouri trust companies. In 1894 the Supreme Court of Missouri decided that trust companies are *not banks*, and may not receive deposits as banks.§ This failed to settle the matter, however. Four years later the same court passed upon the question again, and concluded that trust companies may not receive demand deposits, *unless they pay interest.*‖ Hence the receiving of demand deposits by trust companies in that State now has legal sanction. No rate being specified by the court, the payment of merely nominal interest would suffice, so far as the law is concerned. There is a law of competition, however, which is another thing.

The examples just related illustrate how the trust company, unlike the National bank, has developed according to natural rather than artificial laws. The law and its interpretation have been moulded to suit the ascertained needs of the business, instead of the business being moulded to conform to the law. There are those who believe that this process has evolved a more scientific system of banking than that of the banks themselves.

GENERAL STATUTES REGULATING TO TRUST COMPANIES.

During the decade of the eighties the growing attention to the trust company as an institution was further evidenced in some of the States by the passage ¶ of general laws regarding this class of institutions. New York passed such a law in 1887, since which time companies have usually been incorporated under the general law, although some have been organized under special acts.** We have already referred to the Corporation Act of 1881 in Pennsylvania, which dealt with trust companies. It was further amended in 1885.†† Illinois passed a trust company law in 1887.‡‡ Several States passed laws during this period for the purpose of regulating or restricting the business of trust companies. This subject will be discussed more at length in a subsequent chapter.

CLAY HERRICK.

(To be continued.)

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* Laws of Pennsylvania, May 24, 1881. Act 26, sec. 1.

† BANKERS' MAGAZINE, Vol. LVI, p. 100.

‡ Cator, p. 18. BANKERS' MAGAZINE, Vol. LXII, p. 581.

§ BANKERS' MAGAZINE, Vol. L, p. 60.

‖ Ibid, Vol. LVII, p. 16.

¶ BANKERS' MAGAZINE, Vol. XXVIII, p. 520.

** Circular published in 1900 by the New York Superintendent of Banks, giving historical sketch and digest of banking laws.

†† Act of June 11, 1885.

‡‡ Act of June 15, 1887.

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

PROMISSORY NOTE—AUTHORITY TO FILL BLANKS—DIVERSION OF NOTE.

Court of Errors and Appeals of New Jersey, October 9, 1903.

MECHANICS' BANK vs. CHARDAVOYNE.

One who indorses a promissory note in blank, and intrusts it to another to fill it up and have it discounted, is liable thereon to a *bona fide* holder for value, notwithstanding that the person to whom it was intrusted filled it up and used it for an unauthorized purpose.*

One who takes a promissory note in payment of an antecedent debt is a holder for value.

This suit was brought against William S. Chardavoyne and Annie N., his wife, upon a promissory note made by him to her order, and indorsed by her. The note was dated Newark, July 28, 1899, and was payable at the Mechanics' Bank, Brooklyn, N. Y. The case was tried by the court without a jury, by consent of the parties.

The following are the pertinent facts found by the trial court: Mrs. Chardavoyne, about ten days or two weeks before July 28, 1899, intrusted her husband with a blank form of promissory note, indorsed by her, to be filled up and signed by him, and used at the German National Bank of Newark to obtain a loan for Mrs. Chardavoyne. The German National Bank refused to discount the note, and its refusal was reported to her. She never authorized her husband to use the note for any other purpose. Notwithstanding this fact, he, on the 28th day of July, took the blank note to the banking house of the plaintiff company, in Brooklyn, New York; and the body of the instrument was then filled up by the plaintiff's President, at the request of Mr. Chardavoyne, for a sum equal to the amount of an indebtedness due from Mr. Chardavoyne to the plaintiff. The next day the note was discounted by the plaintiff, and the proceeds placed to Mr. Chardavoyne's credit. The

* The court appears to have overlooked the fact that this case was governed by the New York statute (Negotiable Instruments Law, Sec. 33). But the rule of the statute is the same as that declared by the court. The language of the section is as follows: "Where the instrument is wanting in any particular, the person in possession thereof has a *prima facie* authority to complete it by filling up the blanks therein. And a signature on the blank paper delivered by the person making the signature in order that the paper may be converted into a negotiable instrument operates as a *prima facie* authority to fill it up as such for any amount. In order, however, that any such instrument, when completed, may be enforced against any person who became a party thereto prior to its completion, it must be filled up strictly in accordance with the authority given and within a reasonable time. But if any such instrument, after completion, is negotiated to a holder in due course, it is valid and effectual for all purposes in his hands, and he may enforce it as if it had been filled up strictly in accordance with the authority given and within a reasonable time."

President of the bank, when he filled up the note, was ignorant of the fact that it had been indorsed in blank by Mrs. Chardavoyne; and the plaintiff took it in the regular course of business, in good faith, without notice of any infirmity in it, and in payment of the indebtedness then due to it from Mr. Chardavoyne. On this finding of facts, judgment was entered for the plaintiff against both the maker and indorser of the note.

GUMMERE, *C. J.:* The principal ground upon which we are asked to reverse this judgment is that, upon the facts found, no liability on the part of Mrs. Chardavoyne can be predicated. The contention is that her husband had no authority to fill up the note, except for the purpose of having it discounted at the German National Bank for her benefit; that, when this purpose failed, her husband's agency ceased, and her indorsement became a nullity, and that his subsequent fraudulent act in having the blanks in the note filled up, and then appropriating it to the payment of his own indebtedness, did not render her responsible thereon as indorser. An examination of the authorities, however, will disclose that this contention is untenable. The question to be determined in a case like the present is not what is the actual limit of authority conferred by the indorser of a blank note upon the person into whose hand she delivers it, but, rather, what authority such an indorser, by her conduct, holds out that person as possessing, to one who takes the note in good faith, for value, and without notice that the actual authority conferred is a limited one only, and therefore, as is stated by Mr. Parsons in his treatise on Notes and Bills (volume 1, p. 110), "it is no defense against a *bona fide* holder for value to prove either that the person to whom the instrument was intrusted in blank had no authority at all to fill the blank, or that his authority was limited to a certain sum, which he had exceeded, or that he was only authorized to use the paper for a particular purpose, and had fraudulently converted it to a different purpose, or that he was only authorized to fill the blank upon a certain condition, which had not happened, or that the authority was limited in point of time, and that the time had expired."

Practically the same statement appears in 1 Daniel on Neg. Instru. § 143, where it is said that "the authority implied by a signature in blank, and the credit granted, are so extensive that the party so signing will be bound, though the holder was only authorized to use it for one purpose, and has perverted it to another, and though the authority was limited to a time which has expired, or was only to be exercised upon a condition which has not happened."

The decided cases fully support the rule laid down by these authors. As early as 1780, Lord Mansfield, in Russel vs. Langstaffe, Doug. 514, declared that "the indorsement on a blank note is a letter of credit for an indefinite amount. By it the indorser says, 'Trust G.' (the person who received the note from the indorser) 'to any amount, and I will be his security.' It does not lie in his mouth to say that the indorsement is not regular." In Gerrard vs. Lewis, L. R. 10 Q. B. Div. 30, it was held that "a man who gives his acceptance [to a bill of exchange] in blank holds out the person to whom it is intrusted as clothed with ostensible authority to fill in the bill as he pleases."

In Bank of Pittsburg vs. Neal, 22 How. 96, 16 L. Ed. 323, it was held that "where a party to a negotiable instrument intrusts it to the custody of another, with blanks not filled up, whether it be for the purpose to accommo-

date the person to whom it was intrusted, or to be used for his own benefit, such negotiable instrument carries on its face an implied authority to fill up the blanks and perfect the instrument," and that "a *bona fide* holder of such an instrument, for valuable consideration, without notice of the facts which impeach its validity between the antecedent parties, if he takes it before the same becomes due, holds the title unaffected by these facts, and may recover thereon."

In Michigan Bank vs. Eldred, 9 Wall. 544, it is declared to be "well-settled law that where a party to a negotiable bill of exchange or promissory note containing blanks intrusts it to the custody of another, whether it be for the purpose of accommodating the person to whom it was intrusted, or to be used to raise money for his own benefit, such bill or note, especially if it be indorsed in blank, carries on its face an implied authority in the person to whom it is so intrusted to fill up the blanks in his discretion; and as between such party to the bill or note, and innocent third parties holding the bill or note as transferees for value, in the usual course of business, the person to whom it is so intrusted must be deemed to be the agent of the party who committed such bill or note to his custody, and the legal conclusion is that he acted under the authority of that party, and with his approbation and consent."

In Van Duzer vs. Howe, 21 N. Y. 531, it was decided that "a party who intrusts another with his acceptance in blank is responsible to a *bona fide* holder, although the blank is filled with a sum exceeding that fixed as a limit by the acceptor."

In Redlich vs. Doll, 54 N. Y. 235, the rule is stated to be that "if a note be obtained from a maker by fraud; if it be made for one purpose, and used by the holder for another; if it be delivered in blank, with an agreement that the blank shall be filled in one way, and it be filled in another—in all these cases the maker is liable to a *bona fide* holder for value. The maker, rather than the innocent holder, must suffer for his negligence or misplaced confidence."

In Putnam vs. Sullivan, 4 Mass. 45, it was held that "where a merchant intrusts his clerk with his blank indorsements, and one by false pretense obtains and uses them [by writing and signing promissory notes upon the face of the blanks], such fraudulent use of them will not discharge the indorser, against an innocent indorsee."

In Greenfield Bank vs. Stowell, 123 Mass. 196, the rule is laid down that "if a man indorses a blank form of note, and delivers it with the intention that the blank should be filled, he thereby makes the person to whom he delivers it his agent, and is responsible for whatever date, sum, or time of payment he may insert to a *bona fide* indorsee." In Breckenridge vs. Lewis, 84 Me. 349, it was decided that "one who intrusts his signature to another for commercial use (that is, to have some business obligation written over it) becomes holden upon a negotiable promissory note fraudulently so written by the person so intrusted with it, and negotiated to an innocent holder."

It is unnecessary to multiply authorities. Enough have been cited to make it clear that one who indorses a promissory note in blank, and intrusts it to another to fill it up and have it discounted for his (the indorser's) benefit, is liable upon it to a *bona fide* holder for value, who receives it before maturity, in the usual course of business, from the person to whom it was

intrusted, notwithstanding that the latter has filled it up for, and fraudulently converted it to, a purpose entirely different from that for which he was authorized to use it. Commercial paper is a part of the mercantile currency of the country, and, in order that its free circulation may not be impeded, it is the settled policy of the law that innocent holders thereof for value should have a right to enforce payment of such paper against those who, by signing or indorsing it, either in blank or otherwise, have caused it to become a part of such currency.

It is further contended on behalf of the plaintiff in error that, if it be considered that the indorser of a blank promissory note is liable to a *bona fide* holder for value under the circumstances existing in the present case, still the plaintiff bank is not entitled to recover against her, because it does not occupy that position. The fact is established by the finding of the trial court, as has been already stated, that the plaintiff bank took the note "in the regular course of business, in good faith, without notice of any infirmity in it." It is therefore a *bona fide* holder. The trial court further found that the bank took the note "in payment of an indebtedness then due" to it. So far as this State is concerned, the rule is entirely settled that a party taking a promissory note in payment of an antecedent debt is a holder of such note for a valuable consideration, and entitled to protection as such. (Allaire vs. Hartshorne, 21 N. J. Law, 673; Duncan, Sherman & Co. vs. Gilbert, 29 N. J. Law, 527.)

But as the transaction out of which the plaintiff's right sprang took place in New York, the question to be determined is whether, by the law of that jurisdiction, one who so takes a promissory note is a holder for value. The plaintiff in error insists that the rule established in that State is that, where the holder has received the paper as payment for an antecedent debt, he is not such a holder, and refers us to a declaration to that effect contained in the opinion of this court in Duncan, Sherman & Co. vs. Gilbert, 29 N. J. Law, 528. No authority for this statement is cited in the opinion referred to, and an examination of the New York cases does not justify it. On the contrary, the New York decisions on this subject, so far as we have been able to ascertain by an examination of the published reports of such decisions, are in entire harmony with our own.

In 1840, more than twenty years prior to the decision in Duncan, Sherman & Co. vs. Gilbert, the Supreme Court of New York, in the case of Bank of St. Albans vs. Gilliland, 23 Wend. 311, held that "receiving a note for a precedent debt is receiving it for value, within the law merchant, if it be taken in satisfaction of such precedent debt, and the indebtedness be cancelled."

To the same effect is the decision of the Court of Appeals in Brown, Ex'r, vs. Leavitt, 31 N. Y. 113, and in the later cases of Phœnix Ins. Co. vs. Church, 81 N. Y. 218, and Mayer vs. Heidelbach, 123 N. Y. 332.

It is further urged on behalf of the plaintiff in error that, as she received nothing for her indorsement, she is, at most, an accommodation indorser, and that section 5 of our married women's act (2 Gen. St. p. 2017, § 26) exempts her from liability on such a contract.

In disposing of this contention, it is enough to say that it has already been decided by this court that where a note upon which a married woman puts her name, in this State, first comes into legal existence in the State of

New York, as was the present case, the statutory provision appealed to affords her no protection. (Thompson vs. Taylor, 66 N. J. Law, 253.)

The only other ground upon which the validity of the judgment below is attacked is based upon the claim set up by the plaintiff in error at the trial of the cause that, at the time of the transaction between her husband and the bank, the former was insane, the contention being that the court erred in its holding with regard to the measure of liability upon contracts made by insane persons.

It is quite immaterial, however, whether such error occurred or not. The trial court found as a fact that the husband of the plaintiff in error was not insane at the time when he delivered the note in suit to the plaintiff, and, as the testimony produced on the subject of Chardavoyne's sanity was amply sufficient to support this finding, it must be accepted by this court. Consequently the question of the measure of liability, under the conditions mentioned, is not involved in the decision of the case.

The judgment under review should be affirmed.

Dixon, Garrison, Fort, and Green, *J.J.* dissent.

AUTHORITY OF CASHIER—EMPLOYING AGENT TO SELL REAL ESTATE.

Court of Civil Appeals of Texas, October 21, 1903.

FIRST NATIONAL BANK OF FLATONIA *vs.* RATLIFF.

The Cashier is the collecting officer of the bank, and by virtue of his authority as such, has power to enter into a contract looking towards the collection of debts due the bank, and may obligate the bank to pay reasonable fees or commission for such collections.

This was an action by Thomas Ratliff, as assignee of A. E. Noel, to recover from the First National Bank of Flatonia, Texas, the sum of $265. It was alleged in the petition that on or about July 12, 1901, Noel made an agreement with the bank, acting by and through its Cashier, to sell certain land for the bank, and that the bank was to pay him for his services, a commission of five per cent. on the amount for which the land should be sold, and that the bank was not the owner of the land, but held a mortgage on the same and was interested in having the land sold so as to pay off the mortgage to it. The bank, among other defenses, denied the authority of the Cashier as agent of the bank, to make such contract.

FISHER, *C. J.* (omitting part of the opinion): The only question to be considered is whether the Cashier of the appellant's bank had the authority to make the contract sued upon.

Although it is not necessary to a decision of this case, it may be determined, as contended for by the appellant, that a Cashier has no authority, without the consent of the board of directors, to enter into a binding contract for the sale of lands belonging to the bank; but such is not the question here, for the bank did not own these lands, but simply had a mortgage interest in them to the extent of the amount of the debt secured.

The Cashier is the collecting officer of the bank, and, by virtue of his authority, he has the power to enter into a contract looking towards the collection of debts due the bank, and can, if the occasion becomes necessary, obligate his principal to pay reasonable collection fees or commissions in furthering the interest of the bank in collecting the sums due it.

The facts, as stated, show that the object of the bank was to collect its

debt, and the foreclosure of the mortgage or the sale of the land under the mortgage was the means by which this purpose would be accomplished; and, in the furtherance of this object, we are clearly of the opinion that the Cashier had the authority to enter into a contract to pay a commission for the services and assistance of Noel in furthering the collection.

We find no error in the record, and the judgment is affirmed. Affirmed.

FORGED SIGNATURE—RATIFICATION—FORGED NOTE IN RENEWAL—RIGHT TO RECOVER ON ORIGINAL NOTE.

Supreme Judicial Court of Massachusetts, October 22, 1903.

CENTRAL NATIONAL BANK vs. COPP.

Where a forged signature is ratified by the person whose signature it purports to be, he becomes liable as if his name had been originally placed upon the instrument by his authority.

Where forged notes are delivered to and received by a bank as renewals, and the original notes cancelled and delivered up by the bank, such renewals may be treated as a nullity, and the bank may recover upon the originals.

HAMMOND, *J.:* The judge found that the name of the defendant on the notes declared on is forged, but that in January, 1899, she called at the bank and acknowledged in some form of words that the three notes then held by the bank "were her notes," and he found for the plaintiff upon them upon the ground of ratification. The defendant has argued that the finding of ratification is not warranted by the evidence, but we think otherwise.

The President testified that after some conversation with the defendant as to "a line of discount notes signed by her and her husband jointly," in which he cautioned her as to the practice of signing notes for her husband, he took the three notes then held by the bank and handed them to the defendant and said, "These three notes amount to $6600. Are these all right?" and that she said, "Yes, they are all right."

It is true that the defendant, in her testimony, denied that she said the notes were all right, and testified that the President said to her, "This is your signature, isn't it?" and that she replied, "That is my name." She further testified that the thought of forgery came to her mind, and she stopped.

It might, perhaps, be argued that, under the circumstances, ratification could fairly be found upon the defendant's own testimony; but, whether that is so or not, there can be no doubt that, if the President's version of the interview is correct, the judge was amply justified in finding that, with full knowledge of the circumstances, she, for the purpose of shielding her husband, ratified her signature. By reason of this ratification she became liable as though her name had been originally placed upon the notes by her authority, even although there was forgery, and the question whether there was a liability by estoppel became immaterial. (Greenfield Bank vs. Crafts, 4 Allen, 454; Wellington vs. Jackson, 121 Mass. 157.)

It is further argued that the three notes have been paid. There is no doubt that the bank went through all the forms usual in cases of payment. Upon maturity the notes were charged against the account kept by the husband in the bank, canceled by perforation, marked "paid," and, with checks

and other things that were properly charged to his account, were handed to him with his bankbook whenever it was balanced. The defendant contends that in this way each note was paid as it matured, and that the taking by the bank of subsequent notes for the same respective amounts constituted in each case a new transaction. The judge, however, has found that "when the notes became due they were surrendered to the husband upon the substitution of other similar forged notes," and that the "method of renewal was this: The notes were charged to Copp's deposit account in the bank, and the new notes were at the same time credited to the same account;" and he rules that "the surrender of the notes by the bank upon the substitution of forged notes does not extinguish the bank's right of recovery."

The evidence justifies this finding. According to the testimony of the plaintiff's President, these notes constituted a "line of discount," and there is nothing to show that either the bank or Copp supposed that any note was paid in any other way than is quite usual in such cases, namely, by the substitution of a new note by the way of renewal. The plaintiff never intended to release the defendant from her obligation on these three notes, and to look to the husband alone; and, having received the renewal notes upon the faith that they were valid as to the defendant, the renewals may be treated as a nulity, and the plaintiff may recover upon the original notes. (Leonard vs. First Congregational Society in Taunton, 2 Cush. 462; Almy vs. Reed, 10 Cush. 421.)

Lastly, the defendant argues that there was such negligence on the part of the plaintiff and its officers as should preclude a recovery, and the fourth and fifth requests relate to that branch of the defense. It is plain, however, from the report, that these were among the requests regarded by the judge as inapplicable to the facts found by him. He finds that the plaintiff accepted without question and without suspicion the defendant's statement as to the validity of her signature to the three notes in question, and that the bank was not informed of the forgery until after the husband's death. It does not appear that the real signature of the defendant was ever known to the officers, or that they had any reason to suspect forgery.

LOST CERTIFICATES OF DEPOSIT—CANCELLATION—NEW YORK STATUTE.

Supreme Court of New York, Appellate Division, Third Department, September, 1903.

IN THE MATTER OF THE APPLICATION OF JACOB C. COOK, AS ADMINISTRATOR OF THE ESTATE OF CLARISSA COOK, DECEASED.

A certificate of deposit, payable on demand on the order of the payee, and bearing interest provided the amount deposited was left in the bank six months, does not mature, so as to start the statute of limitations running against the holder's right to recover thereon until presentation for payment.

Laws 1899, p. 923, c. 451, as amended by Laws 1901, p. 1243, c. 503, providing that in case of lost certificates of deposit the person to whom it was issued, his executors, administrators or assigns, may apply to the Supreme Court for an order directing payment and canceling the same, and after such order no claim can be made by any person having such certificate in his possession against the bank, but that the bank shall thereafter be entirely relieved from any liability by reason of having issued such certificate, or for the money due thereon, in so far as it affected lost certificates issued before the act took effect, is unconstitutional as impairing the obligation of contracts.

This proceeding was taken by Jacob C. Cook, as administrator of the estate of Clarissa Cook, deceased, under chapter 451, of the Laws of 1899, as

amended by chapter 503, page 1243, of the Laws of 1901. Upon the 10th day of October, 1885, the National Spraker Bank, of Canajoharie, N. Y., issued, for value received, to Clarissa Cook a certificate of deposit, dated on that day, for the sum of $5,400. Thereafter the certificate was lost or destroyed, and Clarissa Cook was declared a lunatic, and Jacob Cook, the petitioner, was appointed the committee of her person and estate. As such committee, Jacob Cook demanded the payment of the certificate, and together with one Josiah Snell and one Alfred W. Shull, executed and delivered a bond of indemnity, conditioned to save the bank harmless against all loss from the certificate. Thereupon the bank paid the amount of the certificate of deposit to Jacob C. Cook, as the committee of Clarissa Cook. Thereafter, in 1894, Clarissa Cook died, and the petitioner was appointed as administrator of her estate. In January, 1900, Josiah Snell died, and executors were appointed of his will, who were made parties to this proceeding. The prayer of the petitioner was for an order declaring the certificate null and void, and for the release of the bond of indemnity and of the obligors thereof.

SMITH, *J.:* The right of the appellant to question this order upon appeal seems apparent. The statute requires the bank to be made a party to the proceedings, and by the order entered the security held by the bank has been discharged. Against such an order the bank has a material interest to defend.

Nor need we consider whether this statute was intended to affect past transactions. It will hardly be questioned that it would have such effect, unless it took away vested rights. The sole question, therefore, for our consideration is upon the appellant's challenge of the statute as an unauthorized exercise of legislative power.

There is a practical agreement between counsel as to the general rules by which the validity of a statute is to be determined. That the obligation of contracts cannot be impaired is the plain direction of the constitution. On the other hand, that a statute of limitations may be prescribed when none before existed, or that an existing statute of limitations may be modified by an act reducing the time within which an action may be brought, is not questioned, provided only that a reasonable time be left after the passage of the act within which an action may be brought. The respondent's claim is to the effect that this statute is, in its nature, a statute of limitations, while the contention of the appellant is that the statute goes further, and impairs the obligation of its contract.

By the certificate of deposit in question the appellant agreed to pay to the order of Clarissa Cook $5,400, with interest, if left six months. It is not claimed that this makes a demand note which is due at once, or within a reasonable time, so that the statute of limitations runs. It has been held, and it must be conceded, that, apart from the statute in question, this paper might well be held for such a length of time as the holder might choose, during which time it would bear interest, and until the presentation of the same the obligation does not become due, and the statute of limitations does not begin to run. (See Payne vs. Gardner, 29 N. Y. 146; Cottle vs. Marine Bank, 166 N. Y. 58.)

In the case last cited, Landon, *J.*, in writing for the court, speaking of a certificate of deposit, says:

"But in this case the paper requires demand upon a specified condition,

namely, 'to his (the depositor's) order hereon,' and the demand must correspond with the obligation of payment, and that requires presentation of the certificate to the bank, properly indorsed, unless the bank should waive the indorsement."

If a statute were passed making the bank liable upon such a paper without demand, its effect as a material modification of the contract would hardly be questioned. To add to the contract, as has been attempted by this statute, a requirement that under certain conditions the holder of the paper must present his paper to the bank under penalty of a forfeiture of his contract, seems to me no less a modification of the contract made by the parties; and I am unable to see any principle of law upon which the Legislature can be claimed to hold this power to alter a contract made.

This statute has in it no element of a statute of limitations. Upon the publication of the notice as required by the statute, the holder of the certificate is bound to present his certificate to the bank. If he does so present the certificate, he is not required to receive payment thereon, nor is it declared that it shall become due, from which time the statute of limitations begins to run. He is simply required to hold up his hand and say, "I have this certificate," and for failure to do this, although he has had no actual notice of the order made, his contract is rescinded, and he has no claim under a contract for which he has paid a full consideration. Nor should the court hesitate to declare this statute void by reason of a single hardship in a particular case. Thousands of certificates are held by women, to whom the notice contemplated by the statute would never come, but whose property might be confiscated by unscrupulous assignors, who might swear that the certificate had been lost, and get from the bank the money that in truth belonged to the real holder of the certificate. The assignee of a certificate might go to Europe for a four-months' trip, and come home to find his property confiscated.

The only case cited by the respondents immediately bearing upon the question here argued is the case of Vance vs. Vance (108 U. S. 514). It had been provided by the Civil Code of Louisiana that the property of a tutor (guardian) was tacitly mortgaged in favor of a minor as security for his administration. The Constitution of Louisiana, adopted in 1868, provided as follows:

"No mortgage or privilege shall hereafter affect third parties unless recorded in the parish where the property to be affected is situated. All tacit mortgages and privileges now existing in this State shall cease to have effect against third persons after January 1, 1870, unless duly recorded. The General Assembly shall provide by law for the registration of all mortgages and privileges."

On March 8, 1869, the Legislature of Louisiana enacted the necessary legislation to carry out the provision of the State constitution. This provision of the constitution was thereafter challenged by a minor who had become of age on the ground that it took from him a security, thereby impairing the obligation of his contract with his tutor. The Supreme Court there held that it in no way destroyed the contract between the minor and the tutor; that it was simply a recording act, making the secret lien void as against those who dealt with the tutor without knowledge thereof; and the court there followed prior authorities in the same court which authorized the

enactment of recording acts affecting existing contracts for the protection of *bona fide* purchasers dealing with a party without knowledge of the secret lien. The act in question, however, is not for the protection of *bona fide* purchasers. The reasoning upon which the constitutional provision in the case cited was justified by the court is in no way applicable to the case at bar. A party has lost the evidence of his right to recover. The penalty to the loser is no greater than if the money itself had been lost. I can find no justification in public necessity for the act in question.

It may be argued that the statute provides for the recovery upon lost paper by the requirement that a bond may be given, and that the statute in question is no more an impairment of the obligation of a contract than the statute providing for the recovery upon a lost note. But the right to recover upon a lost instrument upon the giving of indemnity does not rest upon the statute. The right has always existed in a court of equity to provide for the saving of the rights of the owner of a lost instrument by the giving of indemnity. In Rowley vs. Ball (3 Cow. 303), the right was recognized in a court of equity, but was denied to a court of law, and the statute was enacted for the sole purpose of giving to a court of law the same power to allow a recovery as existed without the statute in a court of equity. (See 2 Rev. St. 1st Ed. p. 406, pt. 3, chap. 7, tit. 3, secs. 75, 76, and note of the revisors found in volume 3 of the Second Edition of the Revised Statutes, p. 738. See also Throop's Code, sec. 1917, and his note.) The statute in question offers no indemnity to the party whose rights are abrogated. It attempts to divest the owner of such a certificate of his property upon a condition not named in the contract, in clear contravention, as I think, of the rights guaranteed by the State and Federal constitutions. The question here arises upon a certificate issued before the passage of the statute herein discussed. An entirely different question might arise upon a certificate issued after its passage, upon which it is unnecessary here to express an opinion.

The order should therefore be reversed.

Final order reversed, with costs. All concur, except Chester, *J.*, who dissents, and Kellogg, *J.*, not voting.

RIGHT TO APPLY DEPOSIT—PROCEEDS OF PROPERTY CONVERTED TO THE DEPOSITOR'S USE.

Court of Appeals at Kansas City, Mo., June 8, 1903.

FIRST NATIONAL BANK OF SHARON vs. CITY NATIONAL BANK OF KANSAS CITY.

Where a customer of a bank deposits money to his account generally, without special direction, the bank may apply the same to his indebtedness to it, though the money deposited is the proceeds of property of a third person, wrongfully converted by the depositor.

George W. Shinn gave to the Missouri Live Stock Commission Company a negotiable note secured by a mortgage on certain cattle. In a few days thereafter, the Commission Company sold and endorsed the note to the plaintiff. About a month thereafter Shinn sold the cattle and deposited $4,000 of the proceeds with the defendant bank in the name of the Commission Company. That company did its banking with the defendant, and its account was overdrawn to near the amount of Shinn's deposit. The company was

insolvent and the defendant appropriated the sum deposited by Shinn to the payment of this overdraft. There was a dispute as to whether or not the bank had notice at the time of the deposit that it was intended to pay the note. The court held that the evidence was insufficient to establish this claim.

ELLISON, *J.* (omitting part of the opinion): The money thus deposited, having arisen from the sale of the mortgaged property, may be assumed to be, properly, the money of plaintiff as holder of the note secured by the mortgage. What, then, is the law as applied to the facts thus stated? The authorities are not in full harmony, yet, if viewed from the standpoint of principle, the question is not difficult of solution. When Shinn sold the cattle, his act constituted a conversion to his own use. The money he received for them was a commodity which passes, and may be received, from hand to hand without inquiry as to anybody's claim thereto by all who have no notice of its origin. Shinn could have used it in any way he saw fit, as, for instance, in the payment of any debts he may have owed. No one would for a moment suppose that any creditor of his, thus receiving such money in payment of his claim without notice, could be made to surrender it up to the one from whom it had been converted. (Stephens vs. Board of Education, 79 N. Y. 183.)

He deposited this money with the defendant bank to the credit of the Commission Company, and that company was immediately notified of the deposit and made no objection or protest. It thus, unquestionably, accepted the deposit. It then became subject to the law governing the relation between the bank and its depositor. The law fixes that relation to be that of debtor and creditor. (1 Morse on Banking, § 289; State vs. Reid, 125 Mo. 51; McKeen vs. Bank, 74 Mo. App. 281.)

If the depositor is indebted to the bank, the latter has a lien on the deposit for the debt, and may appropriate the deposit to the payment of such debt. (Park Bank vs. Schneidermeyer, 62 Mo. App. 179; Muench vs. Bank, 11 Mo. App. 144; National Bank vs. Ins. Co. 104 U. S. 54–71; 2 Morse on Banking, § 559.)

Necessarily, this right of the bank to appropriate the deposit does not depend upon the depositor's consent; for the depositor, without the bank's consent, has no right to draw out more than the balance which may be in his favor. And so it is said in Bank vs. Hughes, 17 Wend. 101, that "between two persons mutually indebted the balance is the debt."

In Massachusetts the principles we have stated have been applied in cases we consider to be directly in point in the case at bar. The owner of a negotiable promissory note indorsed it in blank, and handed it to his attorney for collection. The attorney deposited it in bank for collection, without stating for whose account. The bank collected and credited the attorney with it, and then applied it in part payment of an indebtedness the attorney owed it. When the owner of the note learned it had been collected he sued the bank for the amount, and it was held he could not recover. (Wood vs. Bank, 139 Mass. 358.)

Again, it was held that where a trustee deposited trust funds in bank on his private account, he thereby converted them to his own use, so that the bank, not having notice, may apply them to his indebtedness. (School Dist. vs. Bank, 102 Mass. 174.) The court said that: "When Tyler deposited in bank the money which he held as treasurer of the school district, and caused

it to be credited to his private account, without giving any notice that it was not his private property, or making any special agreement in respect to it, he thereby converted it to his own use. The specific money became the property of the bank, which it might apply to the payment of any money that he then owed it on account, and for the balance of which it would be his debtor."

The cases of Hatch vs. Bank, 147 N. Y. 184, 41 N. E. 403, and Hutchinson vs. Manhattan Co. 150 N. Y. 250, 44 N. E 775, are likewise authorities in point. The court in those cases gave some prominence to the fact that the depositors had an agreement with the banks giving them some more extended rights over their deposits than might have followed from force of law without any agreement; as, for instance, that funds held of them, by deposit or otherwise, might be applied to their indebtedness, whether due or not. But these agreements were a mere incident of fact peculiar to those cases. An agreement to allow a bank to do what the law without the agreement permits it to do does not affect the force of the rule in a case which only calls for an exercise of rights given by the law without the aid of an agreement.

The case of Smith vs. Bank, 107 Iowa, 620, 78 N. W. 238, is another case we regard as in point in support of the view we have announced, though in that case there was an act of consent by the debtor that the bank might appropriate the deposit. We have, however, already shown that it is not at all necessary to have the depositor's consent. The law confers the right on the bank.

It has been sometimes suggested that if the claim for the payment of which the deposit is appropriated is an antecedent debt, there is no consideration to support the appropriation; but the authorities foregoing repudiate that idea, and hold that the rule in respect to antecedent debts not being a consideration for an after transaction has no application. The case last cited quotes with approval the following from Pomeroy's Eq. Juris. § 1048: "If a trustee or other fiduciary person, in violation of his duty, uses trust money to pay an antecedent debt of his own to a creditor, who has no notice of the breach of trust, or that the money is subject to the trust, in such manner that the money is received as a general payment, and not as a distinct and separate fund, then the money becomes free from the trust, and cannot be followed by the beneficiary into the hands of the creditor, although, in general, an antecedent debt does not constitute a valuable consideration." And this is the view of the Supreme Court of New York. (Justh vs. Bank, 56 N. Y. 478; Stephens vs. Board of Education, 79 N. Y. 183.)

Many of the cases referred to in plaintiff's brief are based upon the fact that the bank in such cases had notice of the claim or interest of the true owner. But authority has been cited which treats the question of the bank having notice as of no importance, and which holds that, though without notice of the ownership or equities of others, it has no right to appropriate the deposit.

The principal of these are the cases of Burtnett vs. Bank, 38 Mich. 630, and Cady vs. Bank, 46 Neb. 756. In the first case the appropriation of the deposit was made by the bank without the order or participation of the depositor, and the court regards that circumstance as affecting its conclusion,

saying that if the depositor had consented to the appropriation there might have been room for other considerations. We cannot understand how the depositor's assent that the deposit may be applied on his indebtedness can affect the question in the least. The right in the bank, as before stated, comes through the law, and is wholly independent of the depositor's consent. The only action a depositor takes is that of making the deposit. He knows, or will be presumed to know, that his deposit goes to reduce the balance against him if the indebtedness is an overdraft, or, if in some other form, that it may be applied to its payment.

The result of the foregoing calls for a reversal of the judgment, and it is so ordered. All concur.

CERTIFICATION—EFFECT OF—KNOWLEDGE WHICH BANK IS PRESUMED TO HAVE.

Supreme Court of New York, Appellate Division, First Department, November, 1903.

MAX MEUER VS. THE PHENIX NATIONAL BANK.

Where a bank at the request of a holder certifies a check which has not been indorsed by the payee, it cannot be compelled to pay such check without proof that the payee had transferred it for value.

This was an appeal from an order denying an application of the defendant for leave to amend its answer.

The action was brought on a check drawn on the defendant bank, to the order of one Edla M. Muir, and thereafter, at the request of the plaintiff, certified by the defendant. The complaint alleged that on the 12th day of December, 1901, one Arthur Johns made his check directed to the defendant, requiring it to pay to the order of one Edla M. Muir the sum of $1,303.65, and delivered the same to said Edla M. Muir; that on or about the 29th day of December, 1901, said Muir for value transferred the check by delivery to the plaintiff; that thereafter, and on the 15th day of January, 1902, at the request of the plaintiff, who then and there was the owner and holder of said check, presented the same to the defendant for certification, and the defendant in writing certified the same payable through the New York Clearing-House; that thereafter and prior to the commencement of the action the check was presented to the defendant for payment through the clearing-house and to the defendant direct, but no part thereof had been paid. To this complaint the defendant interposed an answer which denies "that it has information sufficient to form a belief as to each and every the allegations in paragraphs second, third, fourth and fifth of the complaint contained." Upon this answer the plaintiff moved for judgment, whereupon the defendant upon affidavit and a proposed amended answer obtained an order to show cause why the defendant should not have leave to serve an amended answer. Annexed to these papers was an affidavit of the Cashier of the bank and of one of the bank's attorneys stating that the words "any knowledge or" were omitted from the answer through inadvertence. In answer to that application to amend there was submitted an affidavit of the plaintiff's attorney, which stated that the defendant bank and its Cashier knew all the facts connected with these proceedings, "because deponent, prior to instituting this suit, called upon said Cashier and showed him said check with the certification of the defendant bank, and the defendant bank has a record of said check in its certification book."

INGRAM, *J.* (omitting part of the opinion): It is conceded that the answer as interposed was frivolous, and the only question upon this appeal is as to whether the defendant bank should be allowed to interpose an amended answer sufficient to put at issue the allegation of the complaint. Section 323 of the Negotiable Instruments Law (Laws of 1897, chap 612 as amd. by Laws of 1898, chap. 336) provides: "Where a check is certified by the bank on which it is drawn the certification is equivalent to an acceptance."

Section 79 of the Negotiable Instruments Law provides that "where the holder of an instrument payable to his order transfers it for value without indorsing it, the transfer vests in the transferee such title as the transferrer had therein." This defendant bank must have had knowledge as to whether or not they certified this check, whether it was presented to them for payment and whether they refused such payment, but it cannot be charged with knowledge that the payee of the check had transferred it to the plaintiff for value. The defendant was entitled to have that fact proved before being compelled to pay a check not indorsed by the payee.

Order reversed.

PASS BOOK—RETURN OF TO CUSTOMER WITH VOUCHERS—EFFECT OF.

Supreme Court of Minnesota, November 20, 1903.

SCANLAN-GIPSON LUMBER CO. VS. GERMANIA BANK.

The object of a pass book is to inform the depositor from time to time of the condition of his account as shown by the books of the bank, and when such a book is sent to the bank to be w itten up and returned with cancelled vouchers, it is, in effect, a demand on the part of the depositor to know what the bank claims to be a statement of his account, and a return of the book with the vouchers is an answer to that demand.

It is the duty of the depositor within a reasonable time after the balancing of the book and the return of the vouchers, to examine the same, and report any errors to the bank.

If through the neglect of the depositor to perform this duty the bank is misled to its injury he cannot recover of the bank.

This action was brought to recover for money which had been paid without authority to one Cross, an employee of the plaintiff, and charged to the plaintiff's account.

COLLINS, *J.* (omitting part of the opinion): Referring now to money taken when part of the amount represented by a check was deposited and the balance received in cash, it can be said that this was within the apparent authority conferred upon Cross, if the jury believed him truthful concerning the transaction of April 20. If he was authorized by Mr. Gipson to draw out \$100 in cash, and to deposit the balance of the \$500 check (and the jury found that he was), the bank was justified in thereafter permitting him to draw part of the money represented by checks, for apparently he was clothed with authority to do exactly that thing. The authority would be more clearly apparent when, after the bank had posted and balanced the deposit book, it returned the identical check on which the \$100 was drawn. No complaint was made as to any transaction of this character subsequent to the return of the book with the paid and canceled checks, and the jury was justified in finding that there was culpable neglect on the part of the plaintiff, and, further, that from its acts the bank might readily infer that actual authority had been conferred.

It was the duty of the plaintiff within a reasonable time after the balan-

cing of the book and the return of the checks to see that the vouchers and the book comported with its accounts. In other words, the plaintiff owed the duty to the bank of verifying all returned checks, and it could not lull its officers into the belief that Cross's method of doing business was approved by the plaintiff by disregarding a plain duty, and then escape the natural consequences of its neglect. (Critten vs. Chemical Nat. Bank, 171 N. Y. 219.)

It is within common knowledge that the object of a pass book is to inform the depositor from time to time of the condition of his account as it appears upon the books of the bank. It not only enables him to discover errors to his prejudice, but supplies evidence in his favor in the event of litigation or dispute with the bank. In this way it operates to protect him against the carelessness or fraud of the bank. The sending of his pass book to be written up and returned with the vouchers is therefore, in effect, a demand to know what the bank claims to be stated as his account. And the return of the book with the vouchers is the answer to that demand, and, in effect, imports a request by the bank that the depositor will, in proper time, examine the account so rendered, and either sanction or repudiate it. * * * Other principles come into operation where a party to a stated account, who is under a duty, from the usages of business or otherwise, to examine it within a reasonable time after having an opportunity to do so, and give timely notice of his objections thereto, neglects altogether to make such examination himself, or to have it made, in good faith, by another for him; by reason of which negligence the other party, relying upon the account as having been acquiesced in or approved, had failed to take steps for his protection which he could and would have taken had such notice been given.

In other words, parties to a stated account may be estopped by their conduct from questioning its conclusiveness. (Bank vs. Morgan, 117 U. S. 96; Dana vs. Bank, 132 Mass. 156.) We must assume that the plaintiff, a large corporation, with capable and experienced officers, knew of the prevailing custom among banks to balance pass books of their depositors usually once a month, and to return their checks, in order that errors may be discovered to the depositor's prejudice, of which, if there are any, prompt notice should be given. It stands undisputed that Cross was to keep the plaintiff's balance good at the bank, and that when he required money for this purpose he informed the proper officer of the corporation, and was then given a check for the amount he represented to be needed, without any further investigation, either of the accounts kept by himself or of the bank book, which was usually in plaintiff's office, or of the returned vouchers. It was also undisputed that at frequent intervals during the time in which criminal appropriations subsequent to the first were being made the book was taken to the bank by Cross, there balanced, and, with the paid checks, returned to Cross, who, as before stated, was the only person representing plaintiff at the bank. It is also undisputed that at no time during this period did any officer or other person connected with the corporation investigate or pay the slightest attention to his accounts, or even casually inspect the bank book. It is hardly necessary to say that a very slight examination of either accounts or book would have disclosed the fact that Cross was appropriating to his own use money belonging to the plaintiff. It seems almost incredible that a concern transacting the amount of business that this plaintiff did should have permitted an employee to conduct its financial affairs without the slightest oversight. Its methods

were a continual inducement to wrongdoing, and actually invited Cross to the commission of unlawful acts. That he yielded to the temptation and became a criminal is not very surprising.

CHECK—DEFENSE—FAILURE OF CONSIDERATION.

Supreme Court of Minnesota, October 23, 1903.

BROWN, *et al.* vs. ROBERTS, *et al.*

A partial want or a partial failure of consideration can be shown, if properly pleaded, as a defense *pro tanto* to a negotiable instrument in the hands of the original payee, or of a party standing in his shoes.*

This was an action upon a check.

STOUT, *C. J.* (omitting part of the opinion): The defendants here claim that their answer alleged a partial want of consideration for the check, to the extent of $35; that this was a good defense; and that the trial court ignored this defense, and refused to make any findings thereon, although evidence was offered in support of the defense on the trial. If this claim is supported by the record, the action of the trial court was reversible error. Whatever doubt there may have been at one time as to the question, it must now be held, in view of later decisions of this court, that a partial want or a partial failure of consideration can be shown, if properly pleaded, as a defense *pro tanto* to a negotiable instrument in the hands of the original payee, or of a party standing in his shoes. (Stevens vs. Johnson, 28 Minn. 172, 9 N. W. 677; Torinus vs. Buckham, 29 Minn. 128, 12 N. W. 348.)

While a distinction has sometimes been made between a partial failure of consideration and a partial want of consideration, it has been quite uniformly held that the latter is always a defense *pro tanto* as between the original parties to the instrument. (4 Enc. of Law, § 195; 1 Daniel, Neg. Instruments, § 201.)

NOTES OF CANADIAN CASES AFFECTING BANKERS.

[Edited by John Jennings, B. A., LL. B., Barrister, Toronto.]

CIVIL ASSOCIATION—PROMISSORY NOTE—LIABILITY OF INDIVIDUAL FOR WHOLE AMOUNT—ART. 1854 CIVIL CODE—BILLS OF EXCHANGE ACT SEC. 23, 84.

DROUIN vs. GAUTHIER (Quebec Reports, 12 King's Bench, page 442).

STATEMENT OF CLAIM: This was an appeal from the judgment of Langelier, *J.*, holding the defendants, Messrs. Drouin & Drouin, individually liable for the whole amount of a promissory note signed by them in the partnership name. Messrs. Drouin & Drouin were advocates carrying on the practice of law in the province of Quebec, and had given the note for a partnership debt.

Under the Civil Code of Quebec (Art. 1854) partners are not jointly and severally liable for the whole amount of a note signed in the partnership name, but each partner is liable to creditors for a half, third or fourth part

* The Negotiable Instruments Law provides: "Absence or failure of consideration is matter of defense as against any person not a holder in due course; and partial failure of consideration is a defense *pro tanto*, whether the failure is an ascertained and liquidated amount or otherwise." (Section 54, New York act.)

of the whole amount, according to the number of partners, notwithstanding his interest in the partnership may be greater or less than an equal share. But this provision does not apply to commercial partnerships. The defendants' contention was that as they were not a commercial partnership, but a civil association, their liability individually was governed by Art. 1854. Langelier, *J.*, held that the making of a negotiable note constituted a commercial contract, and was governed by the commercial law with respect to contracts, no matter what was the nature of the partnership of those signing it, and held each member of the legal firm liable for the whole amount. It was from this judgment that the appeal was taken.

JUDGMENT (Sir Alexandre La Coste, *C.J.*; Bosse, Blanchet, Wurtele, and Ouimet, *JJ.*): The partnership which exists between the appellants is admitted to be a civil association, and the individual members are liable only to the extent provided by Art. 1854. It is the partnership which has signed and which is responsible; even though one should consider the making of a promissory note to be a commercial act, sec. 84 of the Bills of Exchange Act provides that where a note is signed by two of more makers the liability may be joint or joint and several according to its tenor; and sec. 23 provides that the signature of the name of a firm is equivalent to the signature by the person so signing of the names of all persons liable as partners in that firm; that is to say, each member of the firm is charged with the liability which he would have according to law had he personally signed the note. Under the Quebec law where there are two or more makers of a note, each is not jointly and severally liable for the whole amount, but the liability of each is only for a proportionate share; and that is the liability, "according to its tenor" imposed by sec. 84.

We are therefore of the opinion that the appeal should be allowed with costs, and the defendants should each be held liable only for half the amount of the note sued upon.

NEGLIGENCE—MATERIAL ALTERATION IN NOTE—LIABILITY OF MANAGER OF BRANCH BANK—DISOBEYING INSTRUCTIONS.

LA BANQUE PROVINCIALE vs. CHARBONNEAU (6 Ontario Law Reports, page 302).

STATEMENT OF CLAIM: This was an appeal to the court of appeal from the judgment of Chief Justice Meredith at the trial, dismissing the plaintiffs' action. The action was one to recover damages from the plaintiffs' former Manager at Ottawa, on the ground of the material alteration of a note held by the bank, and on the ground of negligence in the discharge of his duties. The circumstances were as follows:

The defendant was the salaried Manager of the Ottawa branch of the plaintiffs' B and A partnership firm styled the Citizens' Exchange and Loan Agency applied to him for a loan or credit of $5000 which, after some correspondence with the bank's head office, the defendant was authorized to grant on its being collaterally secured by the joint and several promissory note of certain-named persons. A note signed by these persons was handed to the defendant by a member of the firm and a note of the firm at a shorter date was discounted, and the money advanced to them thereon.

By some oversight on the defendants' part the collateral note accepted by him, instead of being the joint and several note of the makers in accordance with his express instructions, was their joint note only. Shortly after-

wards the defendant became aware of his error and sent for two of the makers, one of whom was a member of the firm, and pointed out the mistake. A discussion took place as to what should be done to rectify it. The defendant said that either a new note should be obtained or the erroneous one corrected.

According to the evidence at the trial these two makers "seemed to be satisfied" to adopt the latter course, and he thereupon wrote in the words "jointly and severally," the "understanding" being that "we were to go round to the makers and get them to 'initial'" the alteration, that is "to get them to consent to it." Then Arnoldi said that he did not care about writing these people, *i. e.*, the other makers, again, and the defendant inferred from the course of the conversation that they might refuse to initial the alteration, and that it would be better for the bank that the note should remain as it was. Arnoldi said: "If you will keep the note like that I will make sure that the next note (the renewal) will be a joint and several one; better hold the note like that till it comes due, and I will give you a note made properly."

The defendant in consequence made no attempt to get the alteration initialed, and shortly afterwards took it to his solicitor, told him the facts, and asked what he should do. The latter advised him not to erase the added words, but to pass a line through them with his pen, which he accordingly did.

When the time came to renew the note, a renewal was brought in the required form, which the defendant accepted without noticing that it had not been signed, by one of the substantial parties, one King Arnoldi, and his signature never was, in fact, obtained to it. The bank was advised that the omission did not affect the liability of the other makers. An action was brought against all the makers of the first note, including King Arnoldi, and against those who were parties to the second note. By this time the alteration of the original note had been discovered by the sureties, and the result of the action, so far as that note was concerned, was that they were held to have been discharged by the alteration. The action also failed as to those sureties who had actually signed the second note, on the ground that the bank had omitted to secure King Arnoldi as a party to it, and on the further ground that having been made in ignorance of the alteration of the first one, in consequence of which the sureties had been discharged, there was no consideration to them for making the second one.

JUDGMENT: The question is whether, under these circumstances, the plaintiffs have any ground of action against the defendant founded upon his negligence in respect of any of these transactions.

The first act of negligence was that of taking the original note in the form of a joint note only, contrary to the plaintiffs' express instructions to accept only the joint and several note of the proposed makers. It is evident from the correspondence between the defendant and his superior that the latter, for some reason, attached great importance to this point and it cannot be denied that in taking the security in the form in which he had been told not to take it, there was a negligent breach of his instructions.

No loss or damage, however, was directly sustained by the plaintiffs in consequence of this.

The joint note of the makers was, for aught that has been shown, quite as

useful a security as one on which they were liable jointly and severally, and I, therefore, agree with the learned Chief Justice at the trial that, inasmuch as the damage the plaintiffs complain of did not flow from this act of negligence, nominal damages only are recoverable by them in respect of it.

The question is, did the defendant exercise such a reasonable degree of skill, care and diligence as was required of him under the circumstances, or did he show such a want of capacity or want of attention to the plaintiffs' interests as to render him responsible for the loss which occurred ? And that is a question to be determined upon the circumstances of the case, taking into consideration the plaintiffs' knowledge of the defendant's capacity and fitness for the position; their subsequent knowledge of what had been done, and their attitude with regard to it before the loss had actually occurred.

The defendant was, of course, bound to exercise reasonable care and diligence in looking after and protecting the plaintiffs' property in his possession or under his control, including, of course, the promissory note which he had received for the plaintiffs upon the transaction in question. But the plaintiffs cannot expect their Managers or Cashiers to be infallible, or that they may never fall into an error of judgment save at the peril of having to make good any loss occasioned by the mistake. Nothing higher could be required of the defendant in his position than reasonable skill and ordinary diligence, by which is understood such skill as is ordinarily exercised by persons of average capacity engaged in similar pursuits. A loss caused by an act or step which a banker of experience acting in similar circumstances might be liable to do or take, is not a loss for which the bank can look for indemnity from the person whose error caused the difficulty.

In the present case the evidence shows that the defendant wrote the words "jointly and severally" into the note with the idea of making it conform to the intention of the parties, and under the belief that all the parties to it would assent to the change and ratify it by their initials. Two of the parties to the note by their words and conduct led him to that conclusion, and it was not until after the words had been written that doubts were raised and he was led to think that he had acted prematurely. Upon that he hesitated as to whether he should present the altered note to the other makers and was led to conclude not to do so. His next proceeding was what any prudent person would adopt. He consulted the bank's solicitor and was advised by him that under the circumstances the validity of the note was not affected. This advice would, of course, tend to strengthen his conclusion not to endeavor to get the initials of the other makers to the alteration. The defendant afterwards informed the General Manager of what had taken place. That officer did not take the position that the note was rendered invalid, and the only suggestion or direction he gave to the defendant was to see that the next note was in proper form. The opinions of the General Manager and of the solicitor appeared to coincide that no harm had been done by the writing on the note, and seemed to render it unnecessary for the defendant to take immediate action.

The evidence as a whole seems to me to relieve the defendant from the charge of gross negligence which it was incumbent upon the plaintiffs to establish. He cannot be said to have been guilty of negligence in the sense that he acted in a manner in which no person in his position exercising ordinary care and judgment would have acted. Under the circumstances he had

reasonable grounds for supposing that what he was doing would be implemented by the parties to the note, and his action after the difficulty arose was under the advice and with the cognizance of the plaintiffs' officials. That in the result his judgment proved to be wrong and his act prejudicial to the plaintiffs, is not enough, in my opinion, to render him liable.

It was also argued that the plaintiffs' loss was due to actual disobedience of instructions in taking a joint note instead of one which was joint and several. It is of course quite true that if that mistake had not been made there would have been no occasion to make the alteration, and so the disregard of instructions was the cause of the loss. But it is equally true that but for the alteration there would have been no loss, the liability on the joint note being quite as complete as upon a joint and several one. I think the judgment right on this point also, and that the appeal should be dismissed.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents · to be sent promptly by mail.

Editor Bankers' Magazine: PHILADELPHIA, Pa., December 2, 1903.

SIR: A number of bonds are obtained by false pretences from a banking house, and at later period the coupons on some of these bonds are presented to a bank and cashed by the teller, these coupons being payable to bearer. When the coupons were presented at the office of the railroad company that issued them, payment was refused, and the banking house from whom the bonds were fraudulently obtained brought suit to recover the coupons. Now, what we desire to know is this, can they recover the coupons without payment, or can the railroad company refuse to pay the money to the bank that cashed them? CASHIER.

Answer.—If the coupons were negotiable in form, the question of liability would seem to turn upon whether or not they were past due when they were cashed by the teller; for the rule as to negotiable coupons is the same as that which applies to any other kind of negotiable paper, that if purchased after maturity, the purchaser acquires no better title than that of the transferrer. (Hinckley vs. Merchants' National Bank, 131 Mass. 147; Evertson vs. National Bank, 66 N. Y. 14; McKim vs. King, 58 Md. 502; Arents vs. Commonwealth, 18 Gratt [Va.] 773.) Hinckley vs. Merchants' National Bank was an action of replevin for interest coupons payable to bearer. It appeared that the bonds to which the coupons were then attached were before maturity stolen from the plaintiff; that after maturity they were bought by a person in good faith, and passed through the hands of several persons, until they came into the possession of the defendant; and that all these persons were purchasers in good faith and for value. It was held that there was no presumption that the thief had negotiated the coupons before maturity, and that the plaintiff was entitled to judgment. If then, in the case stated by you, the coupons were overdue, the bank got no better title than the person from whom it received them. But if the coupons had not at that time matured, it became a holder in due course, and entitled to retain them as against the banking house from which they were obtained, and to enforce them against the railroad company. (Negotiable Instruments Law, Laws Pa., 1901, Ch. 162, Sec. 52, 57.)

Editor Bankers' Magazine: LA GRANDE, Oregon, December 27, 1903.

SIR: When a bank issuing a draft notifies the drawee bank to stop payment on the same, that the original is said to have been lost or destroyed, and that a duplicate has been issued, what liability, if any, attaches to the drawee bank if, in the future, they should pay the original draft? If the drawee bank is liable, what necessity is there for the taking of an indemnifying bond by the issuing bank? F. L. MEYERS, *Asst. Cashier.*

Answer.—The Negotiable Instruments Law provides that a bank "is not liable to the holder unless and until it accepts or certifies the check" (Oregon statute, sec. 189), and as it is under no obligation to the holder, it has only to comply with the directions of its customer, and when he countermands payment of an outstanding check, the bank is without authority to pay the same. When a duplicate check is issued by the drawer, and payment of the original stopped, the bank has no longer any authority to pay such original, and if it does so, it cannot charge the amount against the account of the drawer. It is not necessary for the drawee bank to take an indemnity bond; but as the drawer would be liable upon the instrument to a holder in due course, he should be indemnified by the payee before issuing a duplicate. But if the check or draft has been certified, then, as the drawee bank is liable to a holder in due course, it should have indemnity before refusing payment.

Editor Bankers' Magazine: CLEVELAND, Ohio, December 30, 1903.

SIR: A, a broker and real estate dealer, came into our banking-house and stated that B wished to secure a loan of $1,000. The President of the bank, through whom the loan was made, asked the broker what security he could furnish. The broker stated that B would give his brother for security, his name making the paper good. The broker conveyed the news to B that he could have the money if his brother would sign the note with him. The broker furnished the note form, writing the amount in the body of the note and delivered it to B for his signature and the security of that of his brother. In a few days the broker brought to the bank a note for $1,000 signed by B and his brother, the broker's name not appearing on the note. The President paid to the broker the amount called for in the note and he turned it over to B, less his commission. It turns out that the supposed security to this note was forged by B. Can the bank recover from the broker? PRESIDENT.

Answer.—We do not think that the broker can be held liable, unless it can be shown that he knew, or had reason to believe, that the signature which purported to be that of B's brother was a forgery. He did not dispose of the note as his own, but disclosed his agency, and hence there was no warranty on his part that the signatures were genuine. (National Park Bank vs. Seaboard National Bank, 114 N. Y. 28; Meriden National Bank vs. Gallaudet, 120 N. Y. 298; Negotiable Instruments Law, Sec. 119, New York Act.) Being an agent merely, his liability to return the money ceased when he paid the same over to his principal B. (See cases above cited.) Knowledge on his part, however, would make him a participant in the fraud, and for this he would be liable.

Some Antique Laws.—From the University of Chicago Press have been received some specimen translations from the Code of Hammurabi, King of Babylonia about 2250 B.C. Here are two regulations showing that deposit banking is far from being a modern invention:

"If a man gives to another silver, gold or anything else on deposit, whatever he gives he shall show to witnesses and he shall arrange the contracts and then he shall make the deposit."

"If a man gives on deposit without witnesses or contracts and at the place of deposit they dispute with him, that case has no penalty."

Here is another, which has no application to banking, but illustrates the ancient origin of the desire of a man to get his money's worth:

"If a wineseller does not receive grain as the price of drink, but receives money by the great stone, or if she makes the measure for drink smaller than the measure for corn, they shall call that wineseller to account, and they shall throw her into the water."

CHAS. W. DUPUIS, Treasurer.
(Western German Bank, Cincinnati.)

CLAY HERRICK, Secretary.
(City Trust Company, Cleveland.)

FRED. I. KENT, Chairman.
(First National Bank, Chicago.)

S. LUDLOW, JR., Vice-Chairman.
(Fourth National Bank, New York.)

J. W. McDERMOTT, Vice-Chairman.
(Nevada National Bank, San Francisco.)

AMERICAN INSTITUTE OF BANK CLERKS.

OFFICERS OF FIRST NATIONAL CONVENTION OF CHAPTERS—ALSO COMMITTEE OF ARRANGEMENTS FOR SECOND NATIONAL CONVENTION TO BE HELD AT ST. LOUIS, AUGUST 25, 26 AND 27, 1904.

THE "R" SYSTEM.

FOR USE IN BANKS DOING A COMMERCIAL BANKING BUSINESS.

[By CHARLES W. REIHL, Philadelphia, Pa. Compiler and publisher of the "United States and Canada Bankers' Reference Chart" and the "Bankers' and Merchants' Informer."]

In all lines of business where the aim of the manager is to have the business conducted in a way that will give the best result, with the least "red tape" and labor, they are instituting systems that are scientific. System is simply a method of doing a certain work. There are good systems, indifferent systems, bad systems, and scientific systems. To be scientific they need not—and they must not—have terms and ways that cannot be readily understood.

There is a way to keep records of credits and debits in banks that is safe and simple, and withal scientific. This way I here set forth. Some of the ideas given are now in use, either in part or whole, in some of the progressive banks. The writer having visited a number of banks to study their systems, and corresponded with others concerning their methods of work, he has been able to get a suggestion here and there to assist in perfecting the system. Besides this he has been and now is a student of and worker for good systems in all lines of business, but having been connected with a bank for some years his efforts have naturally gone in the way of improvement in bank work.

This system centers in an auditing department, and the plan here given is especially for the auditing, collection, discount and ledger departments, and for doing away with the deposit or pass book.

In addition to the forms here shown there will be needed a set of check file drawers for the auditing department in which all credit and debit slips are to be filed according to the names of the depositors, and both filed in the same section—credit slips in front, debit slips in back. These are to be kept by the auditor until the account is settled.

For the collection department two check file drawers will be needed in which to file slips of items sent away, according to place sent—if sent to Chicago file in section named Chicago; and in the other to file slips of items not sent, according to date due. A separate drawer, or a separate section in same drawer, if the drawer is large enough, should be used for city collection slips. Large wallets will do for this if the volume of work is not too heavy. Also a drawer or other place in which to file debit slips of returned items. The bank is supposed to have wallets or drawers for holding items coming due or returned unpaid and not delivered to owners, so they are not included in the needs.

The discount department requires one or two drawers for discounter's and payer's record cards. In these the cards are to be filed in alphabetic order. A place will also be needed to keep bills discount debit slips.

The individual ledger work is acknowledged to be the most easily tampered with to the bank's loss; it should therefore be safeguarded in every way possible for the sake of the depositors, stockholders, the officers and the clerks. This system safeguards the ledger work in an easy and sure way. There are various forms of ledgers. Some use the large double-entry book, some the Boston or New York ledgers—two or three columns—some the card ledger system and others the loose-leaf. Any

method that gives daily balances can be used with this system. For an active commercial bank the loose-leaf ledger has certain advantages. These ledgers are very well advertised, and bankers are somewhat familiar with their forms, claims and advantages. The double-entry ledgers, the Boston or New York ledger, are also well known. But the card ledger as it is used in commercial banking is not so well known; I therefore give an illustration of one (Fig. A) that has been used in a large National bank. It is not being used at present; it having been, for certain reasons, replaced by the loose-leaf system.

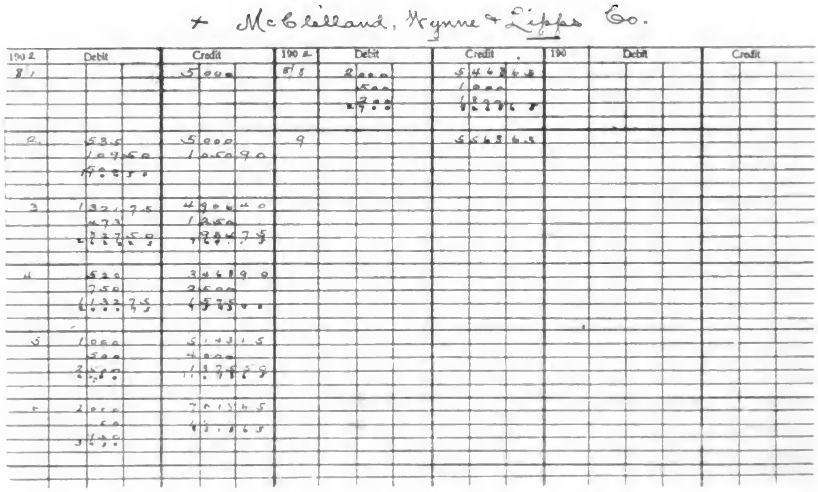


FIG. A.—CARD LEDGER.

In other departments of the bank, not mentioned above, the ordinary methods can be used. Or they can be changed by applying the same principles as applied in the parts here shown.

THE COLLECTION DEPARTMENT.

This may not be considered the proper place to begin an explanation of bank work, but as all spokes lead to the hub—and the auditing department is the hub in this case—I will begin here.

Fig. 1 is the foreign collection credit slip, and for this white paper is used. When a note or draft payable outside of the city or town where bank is located is received, make a record of it on this slip.

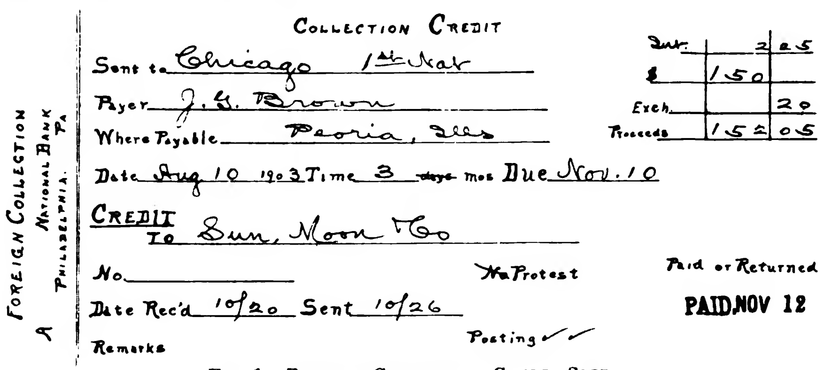


FIG. 1.—FOREIGN COLLECTION CREDIT SLIP.

The foreign collection debit slip (Fig. 2) is made out at the same time by the use of a carbon sheet. The credit and debit slips are to be put up in pads in consecutive order. The debit slips are to be printed on pink paper to show at a glance which it is and to prevent them being mixed in sorting.

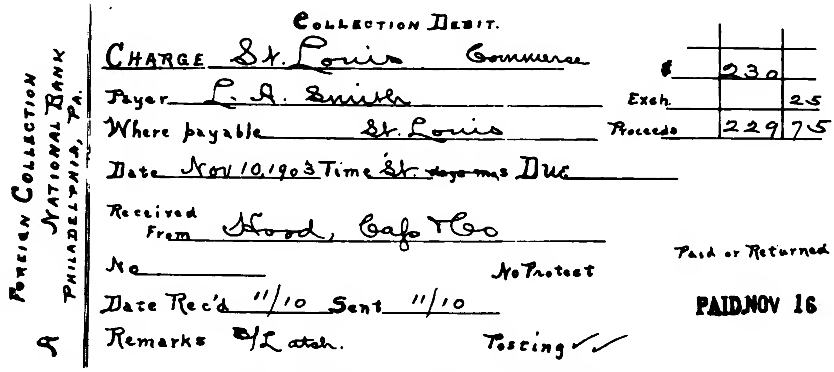


FIG. 2.—FOREIGN COLLECTION DEBIT SLIP.

If the note is not sent away on the day received, do not fill in the "sent to" line and the "date —— sent" line, but file the two slips away together under the date due until the item is sent away, then fill in the two lines and forward the note.

If the note or draft is sent away the day received, complete the entries on slips at first writing and file them away under place sent. In this case, Fig. 1, file them away under Chicago, First National. If the item is protestable, cross out the word "no" before "protest," and the record is complete. When filing slips away always place the last ones sent at the back of the section so that the dates on which sent are in consecutive order.

When the item is reported paid, stamp both slips "paid Nov. 12," or the correct date, under "paid or returned," as shown on both slips (Figs. 1 and 2). Then separate the slips, placing the credit slips together and the debit slips together; sort them according to the order of the parties to be credited or debited. After this enter

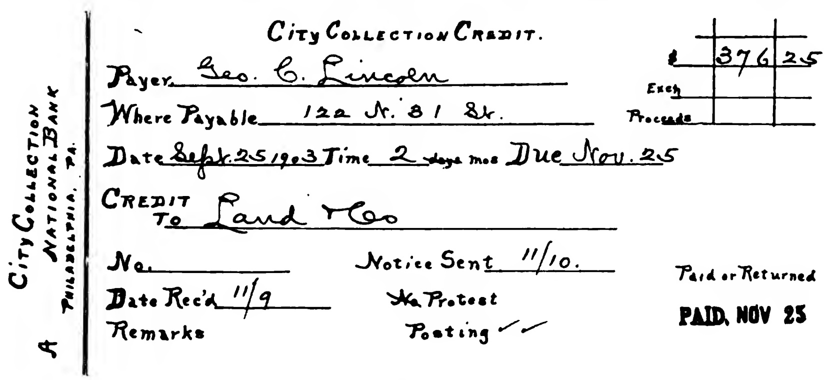


FIG. 3.—CITY COLLECTION CREDIT SLIP.

the amounts credited and debited in the proper columns on the daily record settlement sheet (Fig. 6). Then take the credit slips and make out the advice of credit cards (Fig. 4). The slip has now served its purpose in the collection department, and the work can be done in less time than it took to tell about it. It is next passed

to the ledger for crediting the proper account, and from there to the auditor's department to be credited there on the settlement sheet (Fig. 14).

The debit slips are to be passed to the bank, or general ledger, to be used in charging to the account of the bank to whom the items were sent. From there the slips go to the auditing department, to be charged on the proper settlement sheet (Fig. 14).

If the item has been returned unpaid, destroy the credit slip, and stamp on debit slip under "paid or returned," "returned Nov. 12," or whatever date it is returned. Then file the slip away under name of place sent in place, pigeon hole or sectional drawer, provided for slips of returned items. In this way the complete record of every item is preserved.

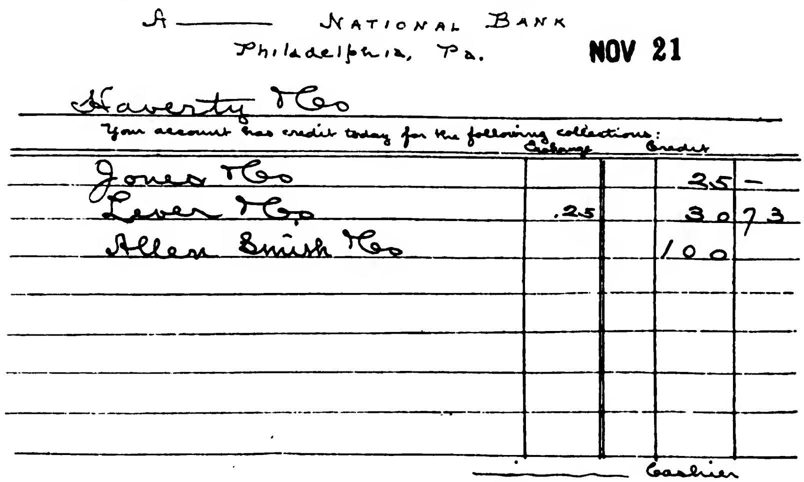
City collection credit slips (Fig. 3) are to be used in the same way as the foreign credit slips, and after being made out from the item are to be filed away under date due until date due or payable, then if the item is paid the slip is marked "paid," with the proper date, and entry made on daily record settlement sheet (Fig. 6). After this it follows the same course the foreign collection credit slip goes through. If the item is returned the slip is so marked and filed in place provided for it, either under date due or name of party from whom received. There are no city debit slips in this department, because the items are not sent away.

After the word "posting" the bookkeepers are to tick when proper posting has been made, and a second tick is made when proper entry has been made in the auditor's department.

The number line is to be used for banks who number their items.

Following the word "remarks" can be made record of bill of lading or other papers attached to the item. If the item is recalled that should be made note of here, or if traced the date of tracer.

The advice card (Fig. 4) is for the purpose of advising credits of all collection items each day to banks and firms alike, whether local or out-of-town. This method gives prompt advice to depositors and saves the time of the collection clerk in looking up item when inquiry is made by the depositor, besides saving the time of the


A ——— National Bank
Philadelphia, Pa. NOV 21

Haverty & Co

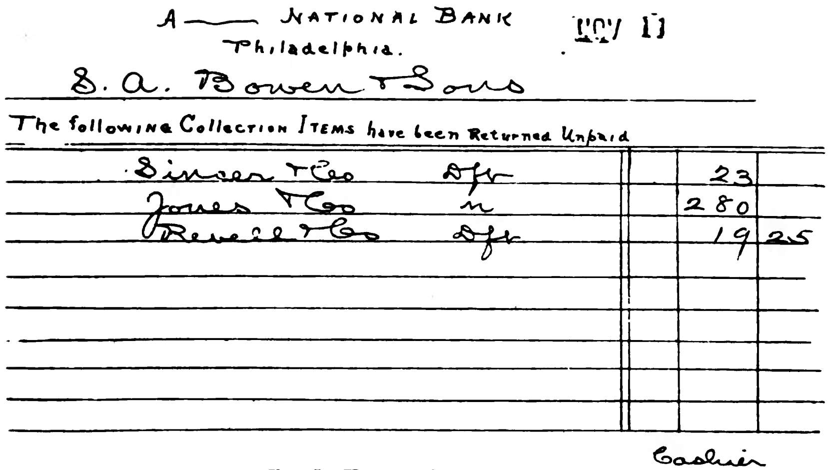
Your account has credit today for the following collections:

	Exchange	Credit	
Jones & Co		25	—
Lever & Co	.25	30	73
Allen Smith & Co		100	

——— Cashier

FIG. 4.—CREDIT ADVICE CARD.

depositors. Prompt advice in this way will be appreciated. A similar card (Fig. 5) should be used to advise local depositors of the return of items, when items are not returned to depositors by mail. The cards can be printed on postals or private mail-


A —— National Bank
Philadelphia.
NOV 11
S. A. Bowen & Sons
The following Collection Items have been Returned Unpaid

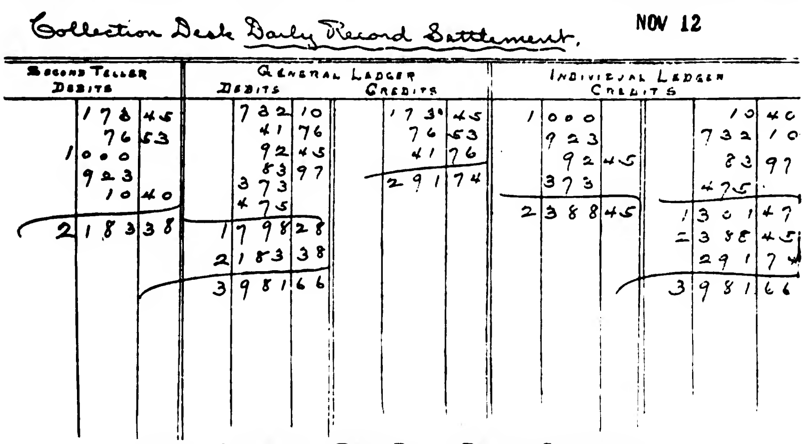
Singer & Co	Dft		23	
Jones & Co	"		280	
Revell & Co	Dft		19	25

Cashier

Fig. 5.—Unpaid Advice Card.

ing cards, or on paper for enclosing in envelopes. If paper is used it should be buff-colored stock of light weight.

The daily record settlement sheet (Fig. 6) is the place where record of amounts credited and debited each day are kept, and on which the day's settlement is made.


Collection Desk Daily Record Settlement.
NOV 12

Second Teller Debits		General Ledger Debits		General Ledger Credits		Individual Ledger Debits		Individual Ledger Credits	
178	45	732	10	173	45	1000		10	40
76	53	41	76	76	53	923		732	10
1000		92	45	41	76	92	45	83	97
923		83	97	291	74	373		475	
10	40	373				2388	45	1301	47
2183	38	475						2388	45
		1798	28					291	74
		2183	38					3981	66
		3981	66						

Fig. 6.—Collection Desk Daily Record Settlement.

The first column is to list city items due on that day, and, if desired, the settlement of discount items due and paid that day can be made on same sheet in connection with collection items. Collections should be listed with black ink and discounts with green or red ink. This sheet can be made as large as needed.

This system does away with all books in this department, unless the daily record settlement sheets are made in book form, and this can be done with enough sheets for six months or a year, or still better, in loose-leaf system. The one record made on credit slip, with the carbon copy on debit slip, answers the same purpose of entries made in three or four books, as is done by some methods now in use.

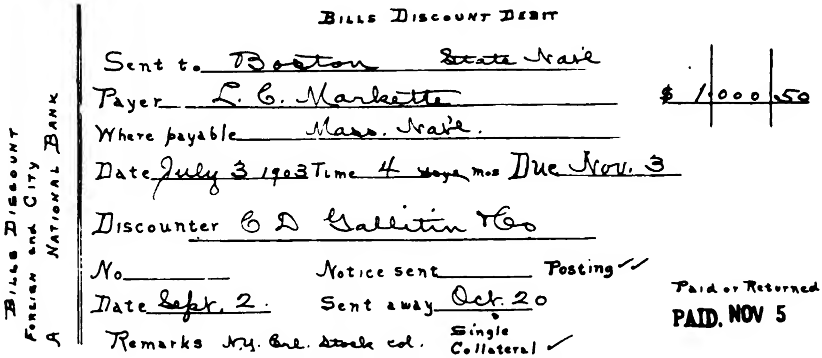
Next in order is

The Discount Department.

Use the ordinary discount register for record of discounting the various bills.

After proper record has been made in the register, fill out the discount debit slip

(Fig. 7). It is to be used in the same way as the debit slip in the collection department, and when made out is to be filed away according to date due. For foreign, or out-of-town items a duplicate should be made with a carbon sheet. Both slips


Bills Discount Dept

Sent to Boston State Nat'l
Payer L. C. Markette $ 1000 50
Where payable Mass. Nat'l.
Date July 3 1903 Time 4 ~~days~~ mos Due Nov. 3
Discounter C D Gallitin & Co
No. ______ Notice sent ______ Posting ✓
Date Sept. 2. Sent away Oct. 20
Remarks N.Y. Cre. Stock col. Single Collateral ✓
Paid or Returned PAID. NOV 5
Bills Discount
Foreign and City
National Bank

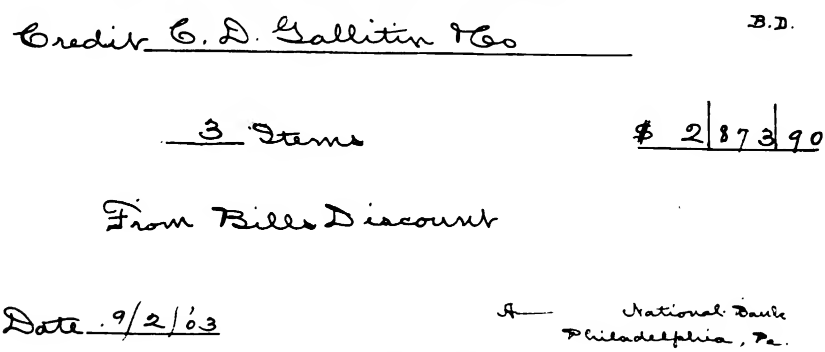
FIG. 7.—BILLS DISCOUNT DEBIT SLIP.

should be kept together until the item is sent away, then the original should be filed under place sent in the collection department. When item is reported paid it is treated the same as collection debit slip, as described, ending its work with the auditor. Before these slips start on their journey through the departments the duplicate debit slip should be marked paid and from this the proper records made on discounter and payer cards (Fig. 11 and 12). Slips of returned items to be filed away with slips of returned collection items, but before filing them away record should be made stating how the bank was paid for the item returned, usually, of course, by the discounter. This can be done by stamping "paid" and date under "returned" and date stamp, with remarks, if any.

If single or collateral paper, a tick following either name will show at a glance which it is. If neither is ticked it will show it to be double-named paper.

These slips should be printed on green paper to easily distinguish them from collection slips, and to be put up in pads same as collection slips.

The discount credit slip (Fig. 8) is to be used to give credit of total amount of discounts for each party in ledger and on settlement sheet in the auditor's department, and then filed the same as the collection credit slips.


Credit C. D. Gallitin & Co B.D.

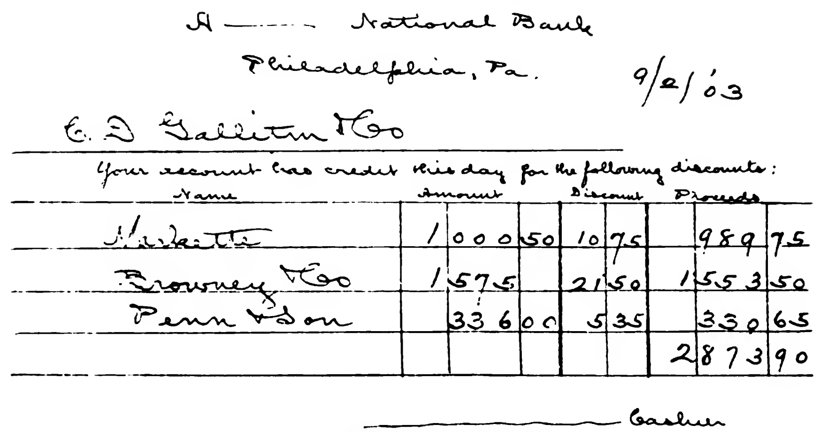
3 Items $ 2873 90

From Bills Discount

Date 9/2/03 A— National Bank Philadelphia, Pa.

FIG. 8.—DISCOUNT CREDIT SLIP.

The discount advice slip (Fig. 9) is to be used in advising discounter of credit made for item or items discounted. This should be enclosed in an envelope, if mailed, as a postal is too public.



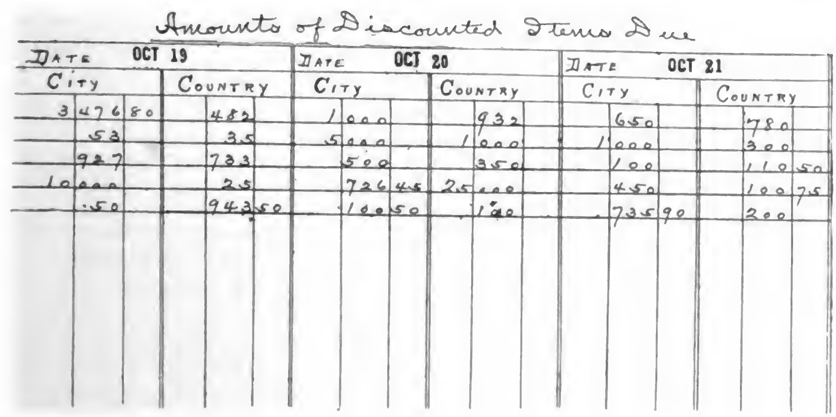
A —— National Bank
Philadelphia, Pa. 9/2/03
E. D. Galliton & Co
Your account has credit this day for the following discounts:

Name	Amount	Discount	Proceeds
[illegible]	1000 50	10 75	989 75
Browney & Co	1575	21 50	1553 50
Penn & Son	336 00	5 35	330 65
			2873 90

—— Cashier

FIG. 9.—DISCOUNT ADVICE SLIP.

The discouut tickler (Fig. 10) is to give amounts only. Under date due one column for city and one column for country items each day. It is arranged to have three and a half days' records to a page, or a week's record on a full double page.



Amounts of Discounted Items Due

Date OCT 19 City	Date OCT 19 Country	Date OCT 20 City	Date OCT 20 Country	Date OCT 21 City	Date OCT 21 Country
3476 80	482	1000	932	650	780
53	35	5000	1000	1000	300
927	733	500	350	100	110 50
1000	25	726 45	2500	450	100 75
50	943 50	100 50	140	735 90	200

FIG. 10.—DISCOUNT TICKLER.

This is to be used in proving bills discount, as well as to tell at a glance the amounts of items and the totals of items coming due each day. If further information is wanted reference can be made to debit slip or discount register.

In addition to the above for this department I now give a simple plan for keeping records of discounter's and payer's dealings with the bank.

Fig. 11 shows the discounter's card; on it is to be kept a record of all items discounted for the person or firm. When the item is discounted record is placed on card and when paid amount and dates are entered in proper columns. Totals carried with entries will show at a glance the amount standing out, or still discounted. (See Fig. 11.)

The "line" space is for the highest amount of discounts allowed to discounter by the board of directors. It is the duty of the discount clerk to see that this line is never passed. The "date" above "line" is for date when decision was made by the board concerning limit of allowance. The "number" is for numbering the cards used for each party in consecutive order.

DISCOUNTER — BILLS DISCOUNT — CARD No. 1 — DATE 7-15-'03 — LINE 10,000

C. D Gallatin & Co

Date 1903	Maker	Due	Amount Discounted		Amount Paid		Date Due	Date Paid
7/15	Gardiner & Son	9/25	1 000		1 000		9/25	9/25
	Penn Bro & Co	9/30	500		500		9/30	10/2
8/5	Lander J T	9/30	350		350		9/20	10/5
	Linder Bros	10/2	625		625		10/2	10/7
	Brown J C	10/30	855	90	2 475			
	Gallagher & Co	11/4	900					
			4 230	90				

FIG. 11.—BILLS DISCOUNT (DISCOUNTER).

The payer's card (Fig. 12) is worked the same way as discounter's card and tells at a glance how much paper is held for any one party and for whom discounted.

PAYER — BILLS DISCOUNT — Card No. 1 — Date 1903

Gardiner & Son 39 & 18 St.

Date	Discounter	Due	Amount Discounted		Amount Paid		Date Due	Date Paid
7/1	Smith Son & Co	9/15	875		875		9/15	9/15
/10	Yerkes & Co	9/25	455	75	455	75	9/25	9/25
/17	Powell S. S.	9/1	325		325		9/1	9/1
8/5	Mead Sons T P	9/1	1 000		2 655	75	9/1	9/1
9/10	Brown, Todd & Co	10/20	500					
10/15	Gallagher Sons Co	11/15	550					
			3 705	75				

FIG. 12.—BILLS DISCOUNT (PAYER).

These cards are to be five by eight inches and to be kept in cabinet drawer. They are to be ruled and printed on both sides, with twenty lines on each side. The discounter's card is to be white and the payer's blue, so there will be no danger of mixing them, or posting on the wrong card.

Another card the same size as the two above, but printed on yellow stock, is for the payer's rating (Fig. 13). This is to be filed with the payer's card so it can be referred to at any time. The advantage of this is easily seen.

Nothing has been provided here for keeping record of the discounter's condition, because that is supposed to be in the care of the officers or on file in the credit department.

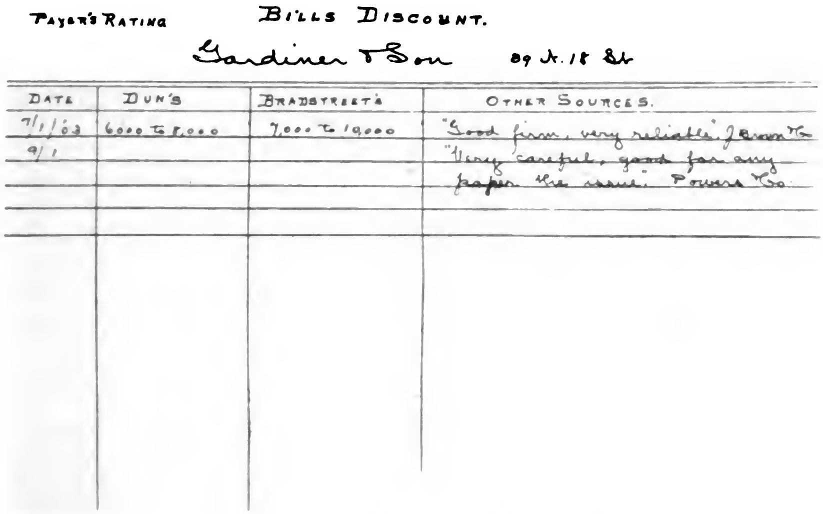


FIG. 13.—BILLS DISCOUNT (PAYER'S RATING).

A very excellent and useful way in which some of the payer's cards should be used is in keeping record of single named and collateral paper discounted and paid. These records should be kept in the same way described for the payer's records. Separate cards should be used for each. Every discount debit slip shows what the paper was, so the record could be easily kept and ready for the Comptroller's report whenever wanted.

THE AUDITING DEPARTMENT.

This department is the center of all the work, and to which all credits and debits come. This need not be, and should not be, a complicated department. Fig. 14

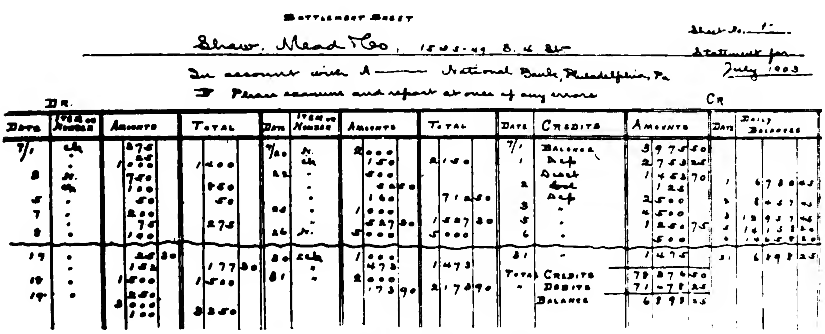


FIG. 14.—SETTLEMENT SHEET.

shows the only sheet, the settlement sheet, used in this department. All sheets should be the same size and, when necessary, more than one sheet used for the larger accounts. These sheets, when in use, should be kept in loose-leaf ledger binding, as they could be more easily handled.

The work on this sheet is to be kept up each day the same as in the ledgers. Balances to be carried to balance column at close of day and then compared with balances in the ledgers. With the active accounts these sheets, with checks and other debit slips, should be turned over to the depositor once a month; the end of

the month is usually the best time. A new sheet is then started with the last balance. Inactive accounts can be returned to depositors once in three months. But accounts can be settled at any time and new sheets started.

This plan allows doing away with the pass book, and this is being done by some of the leading banks. But to do this properly a deposit slip with receipt attached should be used, although I do not know of any bank using the receipt attachment. Fig. 15 gives my idea of the slip and receipt. As for doing away with the deposit or pass book, I understand it is liked wherever it has been given a fair trial; but for

DEPOSITED WITH

THE A—— NATIONAL BANK

By Goodman & Sons

Oct. 30 1903

	DOLLARS.	CENTS.
NOTES, 5's and upwards,	100	
NOTES, 1's and 2's,	25	
SILVER,		
GOLD,	20	
CHECKS, {In Philad'a, name the Bank; out of town, name place.}		
First Nat	150	75
Phila Nat	750	50
4th St "	339	40
TOTAL,	1385	65

RECEIVED A-NAT'L BANK OCT 30 1903

RECEIPT

Goodman & Sons

$ 1385 65

DEPOSITED WITH THE

A—— NATIONAL BANK

Philadelphia, Pa.

Date Oct. 30, 1903

FIG. 15.—DEPOSIT SLIP WITH RECEIPT.

certain reasons it is advisable to give the depositor a receipt. This is especially so where the depositor does not make his deposit in person but sends a clerk or messenger boy, because deposits have been tampered with and without the receipt the depositor would not know it until he received his settlement from the bank. For this reason I have planned the ticket with a detachable receipt. When the depositor makes out his ticket, if he wants the receipt returned, he fills out the receipt with the name, amount and date. The receiving teller sees that these agree with the ticket, stamps the receipt with a rubber stamp giving name of bank and date, detaches the receipt and hands it to the party making the deposit. It is advisable in stamping the receipt to allow a small portion of the stamp to extend above the dotted line, as shown on Fig. 15, so if any question arises as to the receipt belonging to the ticket it could be determined at once if the two parts joined properly or not.

The use of this ticket with receipt attached is an advantage in banking by mail, for the receipt can be detached and returned to the depositor. It also makes the out-of-town depositor's record of deposit the same as that of the local depositor, for depositors from out-of-town seldom have a pass book in which to have their deposits entered.

The deposit slips after leaving the receiving teller are to take the same course as credit slips take after leaving the collection department, and then filed away with other credit slips in the auditor's department.

I have now given you my scientific system for handling debits and credits in banks. It may be that, as you looked at the forms and read the explanations, objections to one part or another arose in your mind; or different points commended themselves to you as being good, simple and safe. If so now glance at it again as a whole and see if it does not commend itself to you as a good way in which to keep the same records and departments in the bank with which you are connected. I do not claim perfection for the system, but it is nearer perfection than any system I have seen.

Some may object to the system because it does away with the pass book, for such we have other forms for the collection and auditing departments—but "that is another story."

GALVESTON'S ENERGY AND ENTERPRISE.—The work of raising the grade of Galveston, just awarded to New York contractors, is one of the two large undertakings which the board of engineers reported last winter as necessary to protect the city from the severest storms known in the Gulf. The other safeguard will be a solid masonry sea wall, three and a half miles long, seventeen feet above mean low tide, rising above the highest waters of the storm of 1900 and surrounding the city on three sides. This improvement is now far advanced.

Galveston has risen from her ruins and resumed her sway among the leading export cities of the country. Grit and energy were never more strikingly shown than in the indomitable determination of the people to rise superior to the calamity in which 8,000 persons perished and $30,000,000 worth of property was destroyed. The wisdom of rebuiding on the old site was questioned, but before any body of engineers could have reached a professional conclusion the people settled the matter. As soon as the weather cleared, all the industrial life of Galveston was in motion to re-establish and maintain the city and its avenues of commerce. The faith of the people in their position, with the best harbor on the Gulf, outweighed their fears for the future; and the improvements now in progress assure their future safety.—*New York Sun.*

*THE PRACTICAL WORK OF A BANK.

THE COLLECTION DEPARTMENT.

I.

The collection department of a bank is one of its most important ones, through the channels of which are passing papers which require the utmost accuracy and dispatch. The equipment of this department then should be such as to enable the proper handling of such papers, and the man who is at the head of it should be thoroughly acquainted with all matters connected with this department; and, furthermore, should be fully awake to the interest of the institution, also its customers. Two words can almost express the first duties of the collection clerk—think, act. But let me broaden that somewhat and say, think correctly, act rapidly. We

DRAFT REGISTER

PAYER	TIME	PRO	AMOUNT	OWNER	COR. NO. OR DATE	DISPOSITION
A. H Burton	Demand	P.		4th Nashville	6/4/02	Acct.
Low Rubber Co	Sight	No		Bank C & C Co	1/20	Left Notice

FIG. 1.

then have the fundamental rules governing this as well as all departments of a banking institution.

Beginning with the morning mail we will follow the work of this desk.

First.—The following are the books needed by the collection department, and we will divide this department into two—the local and foreign.

For the local we need: A draft register, for ordinary drafts. Local collection register, for accepted drafts and time paper. Local collection tickler.

For the foreign: A register of foreign collections for regular correspondents. Register of foreign collections—miscellaneous. Bill register and tickler.

The collection clerk upon his arrival in the morning first sorts the mail into three separate stacks, viz., foreign, local and bills.

Drafts on local parties are given to the head runner, who enters them in the draft register (Fig. 1) and then gives them to the runners for presentation in person, by

* A series of articles to be published in competition for prizes aggregating $1,050, offered by THE BANKERS' MAGAZINE. Publication of these articles was begun in the July, 1901, number, page 18.

mail, or by telephone, as the case may require. When a draft is accepted by telephone it should be stamped across its face—the stamp reading like this:

Accepted by............................
Date............. ....
'Phoned by............................

And a notice sent by mail (Fig. 2).

When payment is refused the messenger should, if possible, obtain reason for non-payment.

When the drawee of a draft is absent, and there is no one at his place of business who can, with authority, accept or decline it, the messenger should leave a notice (Fig. 3) but when a draft is accepted a notice of acceptance (Fig. 2) must be left.

No. ....

DUE AT

The Louisville National Banking Co.,

N. E. Corner Market and Fifth Streets.

$.......................... ....*190*..........

Checks on Other Banks Not Taken After 12:30 P. M.

PLEASE BRING THIS NOTICE WITH YOU.

FIG. 2.

It is customary with banks to present in person only those drafts drawn on parties whose place of business is within a certain distance of the bank—so many blocks north, east, south and west; others are, as before stated, given notice of by mail or by telephone.

Louisville National Banking Company.

Bank open from 9 a. m. to 3 p. m. solar time.

Louisville, Ky., ____________________*1901.*

M..

A DRAFT *on you drawn by* ____________________

*for $*__________ *and Exchange $*__________, *Total $*__________

is held by this bank for collection, payable ____________________

It will remain at this Bank until two o'clock this afternoon; please attend to it to-day.

BRING THIS WITH YOU. JOHN H. LEATHERS, CASHIER.

Checks on other Banks not taken after 12:30 p. m. unless certified.
Please note that if drawn with exchange, exchange must be included in payment.

August 3

FIG. 3.

The messenger must report at the close of the morning run to the head messenger, and in the space allotted in the draft register enter what disposition has been made of all items given him for collection. All accepted paper is given to the local collection clerk, who then enters them in the local collection register (Fig. 4), and then "tickles" them according to date of their maturity (see Fig. 5).

LOCAL COLLECTION REGISTER

PAYER	LAST END'R	TOWN	STATE	WHEN REC'D		NO.	DATE	TIME	WHEN DUE		AMOUNT	PRO.	COR. NO. OR DATE
Atwood & Son	33d St. L			Jan	2	469	Dec 29	3 ds St.	Jan	8	1490.10	P	12/29
O. B. Card	Fifth Nat.	Bute	O.	"	4	7481	" 31	Sight	"	17	86.15	No	8463

FIG. 4.

LOCAL COLLECTTON TICKLER Jan 2-1902

NUMBER	NAME	NOTICE SENT		AMOUNT	WHEN PAID	WHEN RET.
25607	Brown & Co	Dec	10		Jan 2	
15	Bridges Mc. & Co	"	14			Jan 3

FIG. 5.

The messenger should be extremely careful of all collections entrusted to him, and where unpaid items are returned always notice that all attached papers are returned with them. And all paper subject to protest, unpaid, must be given promptly to the proper officer for protest. All bank clerks know and are familiar with the signs "Pro" and "No Pro," and also know "how great a flame a little fire kindleth." By overlooking of one of these signs a lawsuit is often the consequence.

So then the messenger must be awake to his duties, and master thoroughly the details of his department and its workings and obtain a complete knowledge of the rules governing all paper handled by him. In all dealings with those with whom he comes in contact during his rounds he should show unfailing courtesy, thereby

adding dignity to himself as well as giving, if but in a small way, a high tone to his employers.

THE FOREIGN COLLECTION DEPARTMENT.

We will now follow the drift of all collections drawn on outside points passing through this department.

In another part of this article is given a list of the books required in this department. When checking out items received from the bank's correspondents the collection clerk must carefully carry out the instructions accompanying each and so mark them.

With a few deviations I will give the method used in the bank where I am employed, in the handling of collection items on outside points.

All collections, foreign, received through the mail are separated and listed alphabetically according to the endorsement, the correspondent endorsement of course being meant. They are then stamped on the back—that endorsement being:

> *Pay to the order of*
>
> ....
>
> *Cashier.*
>
> LOUISVILLE NATIONAL BANKING CO.
>
> JOHN H. LEATHERS, *Cashier.*
>
> *No.*...........

when forwarded to the bank's regular correspondent; but where such items are forwarded to other banks than those just mentioned a stamp like this is used:

> *Pay to the order of*
>
> ....
>
> *Cashier.*
>
> For collection and returns to
>
> LOUISVILLE NATIONAL BANKING CO.
>
> JOHN H. LEATHERS, *Cashier.*
>
> *No.*...........

The last-mentioned items, drafts only, are entered in the register of foreign collections, a specimen page of which is given in Fig. 6. This is the right-hand page

REGISTER OF FOREIGN COLLECTIONS

WHERE PAYABLE	PAID	RET'D	AMOUNT	NUMBER	OWNER	NO OR DATE
New York		1/23		98740	Bailey G. Co	1/14
Chicago	1/26			1	Nat B of C Kansas City	7684 B
				2		
				3		
				4		
				5		
				6		
				7		
				8		

FIG. 6.—REGISTER OF FOREIGN COLLECTIONS (RIGHT-HAND PAGE).

of that register; the left-hand page is shown in Fig. 7. The items are numbered to correspond with the register.

Fig. 12 shows specimen page of register for all collections—drafts which are sent to those banks which are regular correspondents. This book should be of the loose-leaf pattern, each page admitting of fifty items, and one page used for each account; and as each page receives returns from all collections listed thereon, the collection clerk checks it in the upper right-hand corner and it is then filed; another page is

LOUISVILLE NATIONAL BANKING CO

DRAWER	PAYER	DATE	TIME	ENQ	PRO	WHERE SENT
Boyden & Bros	H B Irwin & Co	Jan 2	3 ds S		No	
Ag. Co.	U. S. [illegible]	. 3	Sight		P	

FIG. 7.—REGISTER OF FOREIGN COLLECTIONS (LEFT-HAND PAGE).

then substituted. The collection clerk should make inquiry for all outstanding items and when no reply is received promptly must follow up with a second, and follow that with a letter. He must at all times exercise due diligence. A form of inquiry is given in Fig. 11.

A record of time paper is kept in the bill register and tickler (for specimen page see Fig. 8), these bills being entered on day of their receipt and filed in the order of

BILL REGISTER AND TICKLER Jan. 27-1902. 584

DATE		PAYER	WHERE SENT	WHERE PAYABLE	AMOUNT	OWNER	No. OR DATE	PAID	RET	NO	PRO	ENQ	WHEN SENT	
Aug	4	W L Smith	St. L.	[illegible]		5th Bank	[illegible]	[illegible]		1	No		Jan	
Jan	9	H C George		Chicago		L C & R Co	N 3		1/28	2	.		.	
.	16	N Y Paper Co.		N Y		.			9/10	3	.	7/6	.	
										4				
										5				
										6				
										7				
										8				
										9				

FIG. 8.

their maturity and forwarded to the bank at their place of payment, or to the correspondent handling that point, ten days or more before maturity.

The forwarding of all collections is done by the mailing clerk, he using for that purpose the forms shown in Figs. 9 and 10.

Louisville National Banking Company

6161

[illegible]

Louisville, Ky.

Dear Sir:

Enclosed find for Collection and returns, items as stated below:

Respectfully yours,

JOHN H. LEATHERS, Cashier.

Please return this letter with your remittance.

FIG. 9.

LOUISVILLE NATIONAL BANKING CO.

Capital $250,000.

THEODORE HARRIS, President.
J. E. SUTCLIFFE, Vice-President.
JOHN H. LEATHERS, Cashier.

Louisville, Ky.

Dear Sir:

Enclosed please find for Collection items as stated below:

Respectfully yours,

JOHN H. LEATHERS, *Cashier.*

The footing of this column is charged to you as cash.

FIG. 10.

RULES GOVERNING COLLECTIONS.

And now a few remarks upon the common rules governing the department of which has been given above chiefly the mechanical part.

Concerning drafts drawn with bill of lading attached. When such drafts bear instructions to deliver bill of lading only upon payment, great care must be taken

LOUISVILLE NATIONAL BANKING COMPANY.

Louisville, Ky...............................

If not paid, please RETURN immediately the following collections:

NUMBER.	NAME.	WHEN SENT.	DUE.	AMOUNT.	

PLEASE RETURN THIS CARD. JOHN H. LEATHERS, CASHIER.

FIG. 11.

by the bank handling such paper, for the bank is temporarily the custodian of perhaps merchandise of a perishable nature.

In forwarding drafts for acceptance and return such paper should not be endorsed in blank.

A bank receiving paper for collection payable at some other bank, and "which in due course sends such paper to those banks for collection and remittance, is re-

Third Nat Bank St Louis Mo

PAYER	WHERE PAYABLE	WHEN DUE	ENQ	PAID	RET	AMOUNT	REMARKS	No	OWNER	COR. No. OR DATE
Jones & Co	Prescott	8	1/10			469 10	[illegible]	1	4th Centr.	87 N B
Elmore & Son	St L.	5		1/5		82.41		2	W. H Stone	1/2
								3		
								4		
								5		
								6		
								7		
								8		
								9		

FIG. 12.

sponsible for the conduct of its collection agents." (Patten's Practical Banking, p. 97.)

It is not unwise for the bank to offset such responsibility as much as possible by forwarding with the receipt of out-of-town items the following notice:

"This bank receives paper for collection as agents only, and does not hold itself liable for any damage or loss which may accrue through the default of any bank or banks to which said paper may be sent for collection." JACK MURRELL.

LESLIE M. SHAW
Secretary of the Treasury

ANNUAL REPORT OF THE SECRETARY OF THE TREASURY.

TREASURY DEPARTMENT,
WASHINGTON, D. C., December 8, 1903.

SIR: I have the honor to submit the following report:

RECEIPTS AND EXPENDITURES—FISCAL YEAR 1903.

The revenues of the Government from all sources (by warrants) for the fiscal year ended June 30, 1903, were:

From customs	$284,479,581.81
From internal revenue	230,810,124.17
From sales of public lands	8,926,311.22
From profits on coinage, bullion deposits, etc	8,254 739.88
From revenues of the District of Columbia	5,168,038,56
From fees—consular, letters patent, and lands	4,048,833,22
From sales of Indian lands, proceeds of Indian labor, etc	2,893,268.83
From navy pension, navy hospital, clothing, and deposit funds	2,300,501,17
From tax on circulation of National banks	1,647,429.28
From immigrant fund	1,356,158.33
From trust funds, Department of State	1,208,092.07
From payment of interest by Pacific railways	997,197.79
From customs fees, fines, penalties, etc	878,254.78
From miscellaneous	748,059.83
From Soldiers' Home permanent fund	743,189.39
From sale of Government property	434,296.21
From judicial fees, fines, penalties, etc	368,757.46
From deposits for surveying public lands	305,701.88
From sale of lands, buildings, etc	289,730.82
From tax on sealskins	286,133.40
From depredations on public lands	231,144.26
From sale of naval vessels and army transports	174,517.10
From sale of ordnance material	173,188.16
From license fees, Territory of Alaska	83,625.22
From Spanish indemnity	28,500.00
From part payment Central Pacific Railroad indebtedness	4,066,349.56
	$560,396,674.40
From postal revenues	134,224,443.24
Total receipts	$694,621,117.64

The expenditures for the same period were:

For the civil establishment, including foreign intercourse, public buildings, collecting the revenues, District of Columbia, and other miscellaneous expenses	$122,175,370.54
For the military establishment, including rivers and harbors, forts arsenals, seacoast defenses, and expenses of the war with Spain and in the Philippines	118,619,520.15
For the naval establishment including construction of new vessels, machinery, armament, equipment, improvement at navy yards, and expenses of the war with Spain and in the Philippines	82,618,034.18
For Indian service	12,935,168.08
For pensions	138,425,646.07
For interest on the public debt	28,556,348.82
For deficiency in postal revenues	2,768,919.20
	$506,099,007.04
For postal service	134,224,443.24
Total expenditures	$640,323,450.28
Showing a surplus of	54,297,667.36

In addition to the revenues collected during the year and the amounts received on the indebtedness of Pacific railroads, the cash in the Treasury was increased $760 by the issue of four per cent. bonds in liquidation of interest accrued on refunding certificates converted during the year.

The securities redeemed on account of the sinking fund were as follows:

Fractional currency		$2,083.00
Treasury notes of 1861		50.00
One-year notes of 1863		250.00
Two-year notes of 1863		50.00
Compound-interest notes		520.00
Refunding certificates		90.00
Funded loan of 1881, continued at 3½ per cent		500.00
Funded loan of 1891, called		6,400.00
Funded loan of 1891, continued at two per cent		63,500.00
Bonds purchased—		
Loan of 1904	$25,300.00	
Loan of 1925	16,504,300.00	
		16,529,600.00
Premium on bonds purchased—		
Loan of 1904	1,022.51	
Loan of 1925	6,201,025.41	
		6,202,047.92
Premium on bonds exchanged—		
Funded loan of 1907	4,170,882.47	
Loan of 1908-1918	534,189.43	
		4,700,071.90
National bank notes redeemed in excess of deposits		2,001,161.00
Total		$29,511,323.82

Compared with the fiscal year 1902, the receipts for 1903 increased $10,294,837.17. There was an increase of $47,284,545.38 in expenditures.

Fiscal Year 1904.

The revenues of the Government for the current fiscal year are thus estimated upon the basis of existing laws:

From customs	$250,000,000
From internal revenue	235,000,000
From miscellaneous sources	45,000,000
From postal revenues	144,767,664
Total estimated revenues	$674,767,664

The expenditures for the same period are estimated as follows:

For the civil establishment	$131,000,000
For the military establishment	115,000,000
For the naval establishment	96,000,000
For the Indian service	11,000,000
For pensions	139,000,000
For interest on the public debt	24,000,000
For postal service	144,767,664
Total estimated expenditures	$660,767,664
Or a surplus of	14,000,000

Fiscal Year 1905.

It is estimated that upon the basis of existing laws the revenues of the Government for the fiscal year 1905 will be $704,472,060.72.

The estimates of appropriations required for the same period, as submitted by the several executive departments and offices, exclusive of sinking fund, $727,474,-206.79; or an estimated deficit of $23,002,146.07.

Operations of the Treasury.

The most noticeable features in the condition of the Treasury are the increased available cash balance and the increased holdings of gold. Since 1890, the available

cash balance, including the reserve, has more than doubled, rising from $179,259,-837.18 to $388,686,114. The cash in the general fund increased during the year by $30,103,869, and the liabilities increased $3,605,116. Thus, the available cash balances at the end of 1903 exceeded that of 1902 by $26,498,753.

Increased receipts from customs, sales of lands, and from miscellaneous sources nearly equaled the diminution in receipts from internal revenue. The increase of expenditures for the fiscal year 1903 over those of 1902 resulted in a reduction of the surplus revenue for the year of $36,989,708.

For the first quarter of the fiscal year 1904 the receipts were $6,733,297 greater than the expenditures.

The trust funds held for the redemption of the notes and certificates for which they are pledged increased to $893,068,869, an increase for the year of $62,459,780.

Transactions in public-debt items, other than those related to the trust funds, caused a net decrease of $18,625,444 in the public debt and reduced the annual interest charge to the extent of $2,001,372.

The foreign holdings of United States bonds are principally confined to the registered class, and are diminishing. In 1899 the amount was $24,339,020. At the end of 1903 it was reduced to $16,866,950.

During the year 1903, National bank notes to the amount of $196,429,621 were presented for redemption, an increase over the previous year of $24,560,363. The expenses incurred were $174,477, which have been assessed upon the banks at the rate of $0.90262 per $1,000 of their notes redeemed.

There is a continuous growth in the ratio of public money of denominations of $10 and below to the total public money in circulation, but the increase in small bills hardly keeps pace with the demand. The process of changing denominations under the act of March 14, 1900, will reach its limit in about two years, and the question of further provision for small notes requires early attention. The Treasurer suggests that gold certificates of the denominations of $10 be authorized, and that the restriction on the issue of $5 notes by National banks be removed.

Gold continues to accumulate in the Treasury. The total holdings of gold on July 1, 1903, were $631,420,789.43, an increase for the year of $71,220,489. On October 1, 1903, the total holdings of gold in the Treasury amounted to $654,811,716. Unrestricted use of gold coin and certificates in all branches of business and the freedom with which they are paid into and out of the Treasury have been marked features of the Treasury operations during the past year.

Transfers of currency by telegraph against deposits in New York, to cover what is called money to move the crops, continue. Depositors find it convenient to offer gold certificates for the exchange, and as small denominations are almost always wanted for local use in the crop-moving districts, the Treasury pays out United States notes of the denomination of $10 and silver certificates of $5 and below.

United States paper currency issued in the fiscal year 1903 amounted to $551,-038,000, and the number of pieces was twenty-one per cent. greater than in 1902. Redemptions amounted to $488,558,220 and the number of pieces was 22.1 per cent. greater than in 1902.

A new record was made in the receipt of all kinds of money for redemption and exchange during the year. The amount paid for was $864,503,561, an increase of $141,228,315 over the preceding year.

The sum of $35,504,050 was sent to the Philippines from May, 1898, to August 16, 1903.

The standard silver dollars in circulation July 1, 1902, were $68,747,349, and the amount in circulation July 1, 1903, was $72,391,240. The amount distributed at the expense of the Government during the past fiscal year was $41,182,154.

Subsidiary silver coin amounting to $24,112,445 was distributed during the year

to depositors therefor, but the amount in circulation shows an increase for the year of only $7,005,466. The rate for transportation on shipments of silver coin during the year was $2.03 per $1,000.

LOANS AND CURRENCY.

The amount of the interest-bearing debt outstanding July 1, 1902, was $931,070,-340. The amount July 1, 1903, was $914,541,410, a reduction of $16,528,930, obtained as follows:

Five per cent. bonds, loan of 1904, purchased under Circular No. 117 of September 26, 1902	$25,300
Four per cent. bonds, loan of 1925, purchased under Circular No. 128 of October 17, 1902	16,504,300
Redemption of refunding certificates in cash	90
Total	$16,529,690
Issue of four per cent. bonds, funded loan of 1907, on account of conversion of accrued interest on refunding certificates	760
Net reduction	$16,528,930

There was a change in the form of the debt owing to the refunding of three per cent. bonds of 1908 and four per cent. bonds of 1907 into two per cent. consols of 1930, as authorized by the act of March 14, 1900. This refunding was undertaken in pursuance of the circular of March 26, 1903. On that day the market values of the bonds were as follows:

Three per cent. bonds of 1908	108
Four per cent. bonds of 1907	110
Two per cent. consols of 1930	107¾

The prices fixed by the Government Actuary for the threes and fours as equivalent on April 1, 1903, to their present worth to realize an income of two and one-quarter per cent., were 104.2572 for the threes and 107.074 for the fours. If the Government had paid these premiums on account of the exchange of the bonds, there would have been considerable profit to the owners of the outstanding bonds. It seemed not unreasonable that the Secretary of the Treasury should obtain a part of this profit for the United States, leaving at the same time some inducement to bondholders to make the exchange. This was accomplished by charging a premium of two per cent. for the new bonds.

Refunding under the circular of March 26, 1903, was discontinued July 31, at which time there had been received $16,042,700 three per cent. bonds and $65,099,900 four per cent. bonds of 1907, in exchange for which there had been issued $81,142,-600 in two per cent. consols of 1930. The results of this operation are shown in the following table:

	*Loan of 1908.**	*Funded loan of 1907.*	*Total.*
Amount refunded	$16,042,700.00	$65,099,900.00	$81,142,600.00
Interest saved on old bonds to maturity	2,514,993.00	10,842,912.00	13,357,905.00
Interest to be paid on new bonds to maturity of old bonds	1,676,662.00	5,421,456.00	7,098,118.00
Premium paid for old bonds	592,352.43	4,522,217.51	5,114,569.94
Premium received for new bonds	320,854.00	1,301,998.00	1,622,852.00
Net profit	566,832.57	2,201,236.49	2,768,069.06

* Here treated as maturing August 1, 1908.

Refunding operations were resumed September 23, 1903, in pursuance of a circular published that day, the terms of the exchange of bonds being the same as under the circular of March 26. To November 1 there were exchanged, under the resumed operations, $3,364,000 three per cent. bonds and $4,578,400 four per cent.

bonds of 1907, a total amount of $7,937,400, for which there have been issued equal amounts of the two per cent. consols of 1930.

Under circular of September 28, 1903, inviting surrender of five per cent. bonds of 1904 for redemption with interest to February 1, 1904, there had been presented, to November 1, $9,264,700.

The interest-bearing debt of the United States outstanding November 1, 1903, was $905,277,060, and the annual interest charge thereon was $24,830,781.30. There were $521,340,600 bonds held by the Treasurer of the United States in trust for National banks as security for circulating notes and deposits, leaving $383,936,460 in the hands of other investors.

Our Monetary System.

Our currency system has been subjected during the year to some very severe tests. Unprecedented prosperity encouraged the natural optimism of our people to such an extent that property of all kinds found ready and eager buyers at figures phenomenally high. A condition, therefore, existed which of necessity could not last. Within a year the market value of stocks and bonds, the proper and legitimate holdings of the people, has depreciated in an amount estimated far in excess of the cost of four years' devastating civil war. Yet notwithstanding this enormous and inconceivable shrinkage, it has not affected in noticeable degree other classes of property. Banking institutions have exhibited no suggestion of weakness, few business failures have occurred, there has been but a slight curtailment in commercial enterprises, very little apparent hardship, and absolutely no fear of any depreciation in any form of currency. To all appearances the crisis is passed. There now exists scant reason for apprehension—certainly no occasion for alarm.

By the provisions of a very wise act of Congress approved March 14, 1900, it was made the duty of the Secretary of the Treasury to redeem United States notes and Treasury notes in gold on demand, and to maintain all forms of money issued or coined by the Government at a parity of value. Evidently the people have understood, as they are justified in doing, that this statute authorizes the redemption of silver and silver certificates in gold whenever necessary for the maintenance of parity. Nothing short of this assurance would have carried us through the period to which I have referred.

One well-recognized weakness, however, has been strongly emphasized—our currency system is nonelastic. It does not respond to the varying needs of seasons, or of localities, or of changing conditions of business. This admitted defect should be remedied. But in remedying it no measure should be considered that will in anywise weaken that which is now stable, and no element should be injected that will cause distrust or doubt. Fortunately, at the present time no recipient of any of our several forms of money stops to examine its character. It is all known to be as good as gold, for the credit of the Government is pledged to maintain its parity with gold. No act should be passed authorizing the issuance of anything less safe and secure.

National Bank Circulation.

During the fiscal year ended June 30, 1903, National bank circulation increased, in round numbers, fifty-seven millions, only twelve millions of which was due to new organizations. Manifestly this rate of increase can not be continued unless additional United States bonds are provided, or some other plan is devised.

In my last annual report I called attention to the fact that the act of June 28, 1902, which authorized the Secretary of the Treasury to borrow 130 millions for the construction of the proposed Isthmian Canal, does not permit the use of these bonds as security for National bank circulation at a less rate of taxation than one per cent. per annum. I repeat my recommendation then made that these proposed bonds be

made available as the basis of circulation on the same terms as the consols authorized by act of March 14, 1900.

SUBSIDIARY COINAGE.

There is now available for coinage into subsidiary coin less than 5,000,000 ounces of silver. This will be exhausted approximately at the close of the current fiscal year. Authority should be given to recoin existing silver dollars into subsidiary coin, or to purchase additional silver with which to supply the ever-increasing needs of the country. The present volume of silver stored in the vaults of the Treasury is equivalent to nearly 500 carloads of thirty tons each. It would cost $100,000 to recount it. This enormous amount is worth in bullion less than half of its coinage value, but it is all redeemable, at the discretion of the Secretary of the Treasury, in gold. Manifestly it must always be stored or other uses provided. Whether it be wiser to continue this burden and purchase additional bullion for subsidiary coinage, or to authorize the conversion of a portion of these dollars into more available forms of money, is for the Congress to determine. In any event, some provision should be made for an increase of subsidiary coin.

BANK NOTES OF SMALL DENOMINATIONS.

There is also a scarcity of paper currency of small denominations. That this demand may be supplied, I recommend that National banks be permitted to issue a larger proportion of their authorized circulation in denominations of five dollars.

LESLIE M. SHAW, *Secretary.*

TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

NOTICES OF NEW BOOKS.

[All books mentioned in the following notices will be supplied at the publishers' lowest rates on application to THE BANKERS PUBLISHING CO., 87 Maiden Lane, New York.]

INTERNATIONAL EXCHANGE. By ANTHONY W. MARGRAFF. Chicago: Fergus Printing Co. (communications to be addressed "International Exchange," 1138 National Life Building, Chicago); 8 vo. pp. 299; price, $5.

With the great growth of our foreign trade in recent years, bankers have shown an increasing interest in foreign exchange, and the publication of a book upon this subject comes at an opportune time. Heretofore the works upon this branch of banking operations have been chiefly foreign and hardly suited to the requirements of American bankers.

Mr. Margraff is the manager of the foreign department of the National Bank of the Republic, Chicago, and has had an experience that thoroughly qualifies him to prepare a lucid exposition of foreign exchange operations.

The book is to be commended for its practical character, for although there is a sufficient statement of theoretical considerations to enable one to grasp the principles involved, by far the greater attention is given to a minute description of the details of exchange operations with different countries. These explanations are supplemented by many specimens of the various documents used in exchange transactions. The author seems to have covered the subject as fully as possible within a volume of reasonable compass, and indeed it is questionable if a more exhaustive treatment would not have impaired the practical usefulness of the book.

There was need of a work of this kind, and Mr. Margraff has supplied the need in a manner that reflects credit on his skill and industry. The book will be found of great benefit to all banks dealing in foreign exchange.

WILLIAM B. RIDGELY

Comptroller of the Currency

REPORT OF THE COMPTROLLER OF THE CURRENCY.

TREASURY DEPARTMENT,
OFFICE OF THE COMPTROLLER OF THE CURRENCY,
WASHINGTON, December 7, 1903.

SIR—In compliance with the requirements of section 333 of the Revised Statutes of the United States, the fortieth annual report of the operations of the Currency Bureau for the year ended October 31, 1903, is submitted herewith.

By comparison of returns made on September 9, 1903, with those of September 15, 1902, it is observed that there has been an increase in number of reporting associations of 441 and a net increase of $196,501,053 in aggregate resources. The increases of the principal items of resources are as follows: Loans and discounts, $201,319,291; United States bonds, $65,799,650; specie, $31,320,047; legal tenders, $14,992,241.

During this period the loanable funds were augmented as follows: Capital stock to the extent of $48,187,241; surplus and other profits, $60,760,984; Government deposits, $25,671,197.

The net increase in aggregate resources was 3.2 per cent., but in loans and discounts 6.1 per cent. The banks in every geographical division, exclusive of the New England States, participated in the increase in loans, varying from 4.1 per cent. in the Eastern States to 37.1 per cent. in the Pacific States. The increase in the Middle Western States was 6.6 per cent., in the Western States, 10.7 per cent., and in the Southern States, 17.5 per cent. The decrease in the volume of loans of banks in the New England States was $16,400,000 or 3.9 per cent.

Notwithstanding the increase in loanable funds and the volume of loans and discounts, there was a net decrease from September 15, 1902, to September 9, 1903, in individual deposits of $52,940,394. This item reached the maximum during the year, and also during the existence of the National banking system, on June 9, 1903, namely, $3,200,993,509. This was an increase of $32,719,248 over April 9, 1903. From this high-water mark of $3,200,993,509 there was a decline on September 9 to $3,156,333,499, or $44,660,010.

The capital stock and surplus funds of the associations gradually increased from $714,616,353 and $335,763,730, respectively, on November 25, 1902, to $753,722,658 and $370,390,684, respectively, on September 9, 1903. National bank circulation outstanding varied but slightly from November 25, 1902, to April 9, 1903, but decreased between those dates from $336,505,993 to $335,093,791. On June 9, 1903, however, the issues reached $359,261,109, and there was a further increase on September 9, 1903, to $375,037,815.

The deposits of the United States with the National banks have shown but slight variations during the year, the amount to the credit of the Government on November 25, 1902, being $138,464,809, and at the close of the year $140,411,999. Bills payable and rediscounts were at their minimum on February 6, 1903, and at that time amounted to $22,921,887, and were at their maximum, $47,066,372, on September 9, 1903.

United States bonds on deposit to secure circulation increased from $341,328,820 on November 25, 1902, to $343,119,320 on April 9, 1903; to $368,941,370 on June 9, and to $381,568,980 on September 9. United States bonds on deposit to secure public deposits increased during the year from $131,376,700 on November 25, 1902, to

$136,940,020 on September 9, 1903. Bonds other than United States securities, deposited to secure public deposits, amounted on November 25, 1902, to $19,705,749, and steadily decreased to $16,748,055 on June 9, 1903. On September 9, 1903, however, securities of this character were on deposit to the amount of $22,000,134.

The specie holdings with the banks varied from a minimum of $388,616,377 on June 9, 1903, to a maximum of $417,572,146 on February 6 of that year. The amount of gold in the banks on the date last mentioned was $105,288,729; gold Treasury certificates, $118,765,050; gold Treasury certificates, payable to order, $42,215,000, and gold clearing-house certificates, $72,435,000; total gold and gold certificates, $338,703,779. Of the holdings of silver $11,160,021 was in dollars; $58,161,298 in certificates, and $9,547,048 in fractional coin; total silver, $78,868,367. On September 9, 1903, the specie held amounted to $397,556,168, classified as follows: Gold coin, $105,569,894; gold Treasury certificates, $119,367,220; gold Treasury certificates, payable to order, $27,180,000; gold clearing-house certificates, $63,307,000; total gold and gold certificates, $315,424,114; silver certificates, $62,791,768; silver dollars, $10,336,148, and fractional silver coin, $9,004,148; total silver, $82,132,054.

Amount and Per Cent. of Reserve Held.

The deposit liabilities of National banks on which reserve is required amounted on November 25, 1902, to $3,705,217,182, against which was held in cash, in funds credited by reserve agents, and in the five per cent. redemption fund, $987,074,218, or 26.64 per cent. The legal reserve, however, amounted to $817,981,481, or 22.08 per cent. The deposit liabilities increased on February 6, 1903, to $3,851,394,205; declined to $3,823,441,585 on April 9, and to $3,817,035,031 on June 9. At date of report made on September 9, 1903, the deposit liabilities had increased to $3,863,512,112, on which legal reserve was held of $850,762,184, or 22.02 per cent. The percentage of all available funds to deposit liabilities ranged from a minimum of 26.25 on April 9 to a maximum of 27.70 on February 6, and percentage of legal reserve was the lowest and highest on the same dates, being 21.68 and 22.48, respectively. The average rate per cent. of legal reserve maintained by the National banks of the city of New York exceeded the requirement at date of each report during the year, and varied from a maximum of 28.41 on November 25, 1902, to a minimnm of 26.96 on April 9, 1903.

The aggregate reserves of Chicago banks were deficient at date of each report except on June 9, 1903, when the average was 25.30. The same comment applies to the St. Louis banks, although their reserve on June 9 was 25.79. The average rate of reserve maintained by banks in other reserve cities exceeded the requirement on each date except on November 25, 1902, namely, 24.77, and April 9, 1903, the average rate being 24.52. The uniformity of the percentage of reserve maintained by country banks is notable, as it fluctuated from a minimum of 17.50 on November 25, 1902, to a maximum of 17.66 on April 9, 1903. An examination of the reserve statements shows that approximately two-thirds of the legal reserve held is represented by specie and legal tenders carried in the vaults of the banks.

Classification of Loans and Discounts of National Banks on September 9, 1903.

The loans and discounts of National banks reached their maximum in the history of the system on September 9, 1903, when they aggregated $3,481,446,772. Of these loans $283,108,946 was demand paper with one or more individual or firm names; $717,258,621 on demand secured by stocks, bonds, etc.; $1,267,524,336 on time, on two or more individual or firm names; $558,115,739 on time, single-name paper, and $655,439,130 time paper secured by stocks, bonds, etc.

The loans of the banks located in the central reserve cities—New York, Chicago

and St. Louis—amounting to $902,294,038, represented over one-fourth of the entire amount of loans and discounts carried by the National banks of the country, and over one-sixth of the aggregate volume was made by the New York city banks, the exact figures being $631,565,824. The demand paper secured by stocks, etc., held by the New York banks, aggregated $281,438,758; the demand paper with one or more individual firm names $10 311,371; two or more name paper, on time, $136,-021,466; single-name paper on time, $93,384,112; and time loans secured by stocks, bonds, etc,, $110,410,117. The loans and discounts made by the 351 associations located in the central and other reserve cities aggregated $1,802,659,666, against $1,678,-787,106 by the 4,691 associations located elsewhere.

Clearing-House Exchanges.

Through the courtesy of the Manager of the New York Clearing-House this office has been placed in receipt of statements relating to the transactions of the clearing-houses of the country for the years ended September 30, 1902 and 1903. The volume of business, as indicated by the exchanges, reached $115,892,198,634 in 1902, but declined to $114,068,837,569 in 1903, the decrease being $1,823,361,065. The gross increase aggregated $2,853,386,263, and the decrease $4,176,747,328, in the latter being included the decrease in exchanges of the New York Clearing-House, amounting to $3,919,533,496. For the current year exchanges of the New York Clearing-House aggregated $70,833,655,940, approximately sixty-two per cent. of the volume of the exchanges of the clearing houses of the country. Second in magnitude is Chicago, with $8,627,554,264, followed by Boston, with $6,837,767,883; Philadelphia, with $5,968,775,428; St. Louis, with $2,465,057,926; and Pittsburg, with $2,381,454,231. The only other clearing-houses with exchanges exceeding a billion dollars are San Francisco, Baltimore, Cincinnati and Kansas City.

The New York Clearing-House is represented by fifty-seven banks, a less number than at any time since 1865, except in 1878, when the number was the same as at present, although the capital, $113,072,700, is greater than at any date since the establishment of the clearing-house in 1854. Clearings of the New York association for the year 1903, amounting to $70,833,655,940, were settled by the use of $3,315,-516,487 in lawful money, or 4.68 per cent. of the clearings. In 1896 but 0.01 per cent. of the balances was paid in gold, whereas in 1903 the percentage was 99.99. The average daily clearings during the year were $233,005,447, and the average daily balances paid in money $10,906,304. From the comparative statement of transactions of the New York Clearing-House from 1854 to 1903, inclusive, it is shown that the aggregate clearings have been $1,505,995,524,938.

The transactions of the Assistant Treasurer of the United States at New York with the clearing-house for the year ended September 30, 1903, amounted to $433,-873,163.44 and the amount of balances paid to the clearing-house by the Assistant Treasurer $217,935,693.67.

Earnings, Dividends and Shareholders of National Banks.

The number of banks reporting during the year ended March 1, 1903, was 4,451, with capital stock and surplus of $688,817,835 and $324,462,477, respectively. The net earnings amounted to $102,743,721 and the dividends $60,123,622, the latter being 8.7 per cent. on the capital and 5.9 on capital and surplus. The banks paid dividends at the rate of 9.8 per cent. on capital and at the rate of 6.8 per cent. on capital and surplus in the year ended March 1, 1902. The table in question covers a period of thirty-four years and shows that the average rate per cent. of dividends to capital was 8.25 and to capital and surplus 6.23. The net earnings of the banks from March 1, 1869, to March 1, 1903, are shown to have been $1,978,062,738, and the dividends $1,555,244,710.

Section 5210 of the Revised Statutes requires every National banking association to keep a correct list of names and residences of all shareholders, subject to inspection by stockholders, creditors of the association, and officers authorized to assess taxes under State authority, and to file with the Comptroller of the Currency a copy of the list as of the first Monday of July of each year. An examination of the lists filed in July last by the National banks shows the distribution of stock among 314,967 shareholders, the number of shares being 8,617,517, and the average holding twenty-seven shares, approximately. Were it not for the fact that quite a number of associations in existence were conversions of State banks, with shares of stock less or more than $100, the number of shares of all National banks could readily be determined from the capital stock, as the National Bank Act provides that the stock of banks of primary organization shall be divided into shares of $100 each.

Organization of National Banks.

On February 25, 1903, the National banking system had been in operation for a period of forty years, and from June 20, 1863, the date of issue of the first certificate authorizing a National bank to begin business, to October 31, 1903, there have been chartered 7,029 National banking associations, with capital at date of organization of $860,931,182, of which 1,126, with capital of $293,148,628, were conversions of State banks effected in conformity with the provisions of section 5154 of the Revised Statutes, and the remaining 5,903, with capital of $567,782,554, banks of primary organization.

The impetus given to the formation of National banking associations by the act of March 14, 1900, under authority of which banks are organized with minimum capital of $25,000, circulating notes issuable to the par value of bonds deposited, and semi-annual duty on circulation reduced, 1,765 associations, with authorized capital of $104,493,000, have been added to the system. The organizations during this period represent approximately one-fourth of the total organizations effected during the existence of the National banking system.

Notwithstanding authority conferred for the issue of circulation to the par value of bonds deposited, bonds to the amount of $25,174,850 only were deposited as security for circulation on the capital of $104,493,000—less than one-fourth of the amount which might have been deposited and circulating notes issued thereon.

During the year ended October 31, 1903, there were organized 553 associations with aggregate capital of $34,333,500, of which 348 with capital of $8,848,500 were with individual capital of less than $50,000 and 210 with capital of $25,485,000 with individual capital of $50,000 or over. A further division shows that there were 306 associations of primary organization with capital of $16,425,000; forty-nine with capital of $2,438,500, conversions, and 198 with capital of $15,470,000, reorganizations of State or private banks.

In addition to the augmentation of capital resulting from the organization of National banks during the year there was an increase in the capital stock of previously existing associations to the amount of $52,412,900, banks to the number of 187 increasing their capital stock in conformity with the provisions of the act of May 1, 1886. In a number of instances increases of capital were effected for the purpose of absorbing the business of other associations placed in voluntary liquidation, and to provide, in a measure, for the shareholders of the closed institutions. As reports of proceedings relating to increase of capital do not show what disposition is made of the additional stock issued, the extent to which shareholders of banks closed by liquidation participated in the increase of capital of the absorbing banks can not be stated.

The reduction of capital stock under the provisions of section 5143, United States Revised Statutes, amounted to only $2,095,000, and but 21 associations were concerned in these changes.

The most notable change effected during the past year was the increase of the capital stock of the National Bank of Commerce in New York from $10,000,000 to $25,000,000, and the consolidation with that association of the Western National Bank of the United States in New York, which, prior to its liquidation, was capitalized for $12,500,000. The National Bank of Commerce and the City National Bank, of New York, are the only National banking associations in existence with capital of $25,000,000. There are also in operation in the city of New York one National banking association with capital of $10,000,000 and one with $5,000,000. The only other National banks in the country with capital of $5,000,000 or more are the First National Bank of Chicago, $8,000,000, and the National Bank of Commerce of St. Louis, with $7,000,000 capital. National banks to the number of 117, with capital of $1,000,000 and over, but less than $5,000,000, are in operation in the principal cities of the country.

Voluntary Liquidations and Failures.

Under the provisions of section 5220 of the Revised Statutes—that is, by the action of representatives of the required number of shares of stock—1,337 National banking associations have been placed in voluntary liquidation and the corporate existence of 146 banks, organized under the acts of 1863 and 1864, have expired by limitation, thus making the total number voluntarily closed 1,483, the aggregate capital at date of closing amounting to $260,239,550.

From the date of the first failure in 1865 to October 31, 1903, Receivers have been appointed for 418 National banks, their capital aggregating $71,167,420. Of these banks, however, 19, with capital of $3,725,000, were placed in solvent condition and authorized to resume business, resulting in a net loss to the system by insolvency of 399 banks, with capital at date of failure of $67,442,420. The affairs of 330 of these trusts have been finally settled and the receiverships terminated. The capital of these associations at date of failure was $51,795,920, and their outstanding circulation $16,398,783. The total amount of assets (par value) coming into possession of Receivers was $188,925,911, from which there was collected $88,074,670, and settled by offsets $14,672,927. The losses on assets, compounded or sold under order of court, aggegated $75,929,065, the nominal value of the remaining assets being $10,-249,249. Stockholders were assessed to the amount of $30,826,020, from which was realized $14,469,575. On claims proved, amounting to $101,724,870, dividends were paid to the amount of $72,542,142, or 71.31 per cent. Including, however, offsets allowed, loans paid, etc., creditors received, on an average, 78.55 per cent. on their claims.

The cost of the liquidation of insolvent banks—that is, Receivers' salaries, legal and other expenses, based on the total amount collected from assets and from assessment on shareholders—was 8.3 per cent.

The list of liquidations includes 49 associations closed voluntarily by vote of shareholders and 23 by expiration of charters. Six of the associations placed in voluntary liquidation were succeeded by new associations with different titles ; 20 were absorbed by other National banks, and 18 by State or private banks, leaving five closed presumably for the purpose of discontinuing business. Thirteen of the banks whose charters expired by limitation were organizations effected under the act of 1863, and 10 under the act of 1864. Fourteen of the banks whose corporate existence terminated by expiration of charter were succeeded by associations with different titles, organized, in the main, by shareholders of the closed banks.

The affairs of 17 National banks which failed in the New England States were settled with an average loss to creditors of only 6.89 per cent. The liabilities represented by claims proved, offsets allowed, and loans paid, aggregate $23,956,626.

The results of the liquidation of the affairs of 61 insolvent National banks which

were located in the States of New York, New Jersey, Pennsylvania, and the District of Columbia evidenced the settlement of claims aggregating $37,225,748, with an average loss of 24.07 per cent.

The settlement of receiverships terminated in the Southern States, numbering 61, was effected by payment to creditors on claims, etc., aggregating $19,505,630, of an average 67.62 per cent., the loss being 32.38 per cent.

The returns relative to banks closed in the Middle States—namely, Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa and Missouri—include 73 cases, the liabilities of the banks aggregating $28,027,358, which were settled with an average loss of 15.85 per cent.

Banks to the number of 85, which failed in the Dakotas, Nebraska, Kansas, Minnesota, Wyoming, Colorado, New Mexico, and Oklahoma, have been finally liquidated, creditors receiving an average of 72.47 per cent. on claims aggregating $18,814,-047, the average loss being 27.53 per cent.

Thirty-three insolvent banks which were liquidated in the Pacific States, viz., Washington, Oregon, California, Idaho, Utah, and Nevada. The liabilities of these trusts aggregate $8,526,102, and were settled with an average loss of 30.85 per cent.

Including with claims proved the amount of offsets allowed and settled and loans paid, aggregating $136,055,511, of the 330 trusts finally liquidated, creditors sustained an average loss thereon of 21.45 per cent.

Classifying these closed trusts according to capital stock—those with capital of less than $100,000, with $100,000 and less than $200,000, and those with $200,000 and over—it is shown that banks in the first class paid dividends on claims proved at the average rate of 63 per cent., and that the assessment on stockholdings produced but 36 per cent. of the amount of the assessment. The banks of the second class paid 67 per cent. on dividends and 41 per cent. on stock assessments, whereas banks with capital of $200,000 and over paid creditors 74 per cent. on their claims, and the stockholders paid 51 per cent. on the stock assessment. These figures evidence the fact that the larger the bank's capital the larger the percentage realized from assets and from assessments on stockholders in case of insolvency.

The capital of each class of banks, together with the amount of claims proved, dividends paid, assessment and collection from shareholders, and percentage of dividends, assessment, collection from assessment, and amount collected to the aggregate capital, are shown in the accompanying table:

Class	No.	Aggregate capital.	Claims proved.	Dividends paid.		Assessment on shareholders.		Collected on assessment.		
				Amount.	Per cent of claims.	Amount.	Per cent of capital.	Amount.	Per cent of assessment.	Per cent of total capital.
Capital less than $100,000 . . .	138	$7,329,000	$10,464,704	$6,610,693	63	$4,098,250	56	$1,524,591	37	20.8
$100,000, less than $200,000	102	11,205,620	17,486,091	11,691,142	67	6,325,720	56	2,612,042	41	23.3
$200,000 and over...	90	33,261,300	73,774,075	54,240,307	74	20,402,050	61	10,332,942	51	31.0

The capital, circulation outstanding, and the relation of the latter to capital and to maximum amount of circulation issuable, respectively, as indicated, are shown in the following table.

Distribution of National Bank Circulation in Reserve Cities, States, Territories, and Geographical Divisions in Relation to Capital Stock.

The reports of condition, made to this office by National banking associations in conformity with periodical calls, show in general the amount of National bank notes

Percentage of Circulation to Capital.

Year	Capital.[a]	Circulation. Amount.	Circulation. Per cent.[b]	Year	Capital.[a]	Circulation. Amount.	Circulation. Per cent.[b]
	Millions.	*Millions.*			*Millions.*	*Millions.*	
1863	$87.2	....	....	1884	$532.6	$332.5	69.37
1864	86.8	$58.8	67.74	1885	532.9	314.9	65.66
1865	393.2	204.6	52.03	1886	552.8	301.0	60.50
1866	415.5	293.1	70.54	1887	583.2	271.7	51.77
1867	420.1	299.1	71.19	1888	596.8	239.0	44.49
1868	420.6	300.1	71.35	1889	620.2	201.7	36.14
1869	426.4	299.7	70.29	1890	659.8	179.4	30.21
1870	430.4	301.9	70.14	1891	684.8	172.0	27.91
1871	458.3	324.5	70.80	1892	693.9	172.0	27.54
1872	479.6	341.0	71.10	1893	696.0	208.7	33.31
1873	491.1	348.3	70.92	1894	672.7	207.1	34.20
1874	493.8	348.8	70.63	1895	664.1	213.5	35.72
1875	511.6	343.2	67.08	1896	658.3	234.4	39.56
1876	502.8	319.9	63.62	1897	638.0	230.0	40.05
1877	486.7	315.9	64.90	1898	624.6	239.5	42.61
1878	473.9	319.6	67.44	1899	608.5	243.0	44.37
1879	462.4	335.1	72.47	1900	632.5	331.6	52.42
1880	466.6	342.0	73.30	1901	663.2	359.8	54.25
1881	466.3	358.9	76.96	1902	713.4	380.5	53.32
1882	491.6	361.0	81.60	1903	766.3	419.6	54.75
1883	516.6	350.8	75.48				

[a] Paid-in capital stock October 1, 1863, to 1874; authorized capital October 31, 1875, to 1903.
[b] Percentage of circulation to capital stock 1863 to 1881; to 90 per cent of capital 1882 to 1899, and to capital 1900 to 1903.

in circulation in the principal political subdivisions of the country, but do not contain the information essential to a knowledge of the extent to which circulating notes are issued by banks of various classes in proportion to capital. From the records of this office on July 18, 1903, a table has been compiled showing the number and capital of National banks issuing circulating notes to the maximum—that is, the paid-in capital stock—to the extent of seventy-five per cent. and less than 100 per cent. of capital; fifty per cent. and less than seventy-five per cent.; twenty-five per cent. and less than fifty per cent., and less than twenty-five per cent. The number of associations in existence on that date is shown to have been 5,020, with capital of $755,764,165 and circulation $378,014,185. Banks to the number of 1,492, with capital of $177,850,850, had outstanding the maximum amount of notes—that is, an equivalent of capital paid in—245 banks with capital of $66,681,810, circulation to the amount of $55,487,710, the issues in each case being seventy-five per cent. or more, but less than 100 per cent., of the maximum issuable; 715 banks, with capital of $110,478,400, were of the class issuing notes to the extent of fifty per cent. or more, but less than seventy-five per cent. of their capital, the issues amounting to $62,190,000. Associations to the greatest number and with the largest amount of capital stock are in the class issuing notes to the extent of twenty-five per cent. and over, but less than fifty per cent. of their capital. Banks of this class numbered 2,335, with capital of $199,491,045, and circulation of $58,066,475. There were 243 associations, with capital of $201,267,060, whose issues aggregated $24,419,100, in each instance the issues amounting to less than twenty-five per cent. of the paid-in capital stock. Included in this latter class are eight banks, with capital of $5,110,000, which have no circulating notes outstanding.

The outstanding circulation of the National banks located in the city of New York was $45,296,500, and their capital stock $100,200,000. The Chicago banks, with capital of $25,600,000, issued notes to the amount of $3,736,000, and St. Louis banks issued circulation to the amount of $11,345,640 on capital stock of $15,600,000. The aggregate capital and circulation of the banks in the three central reserve cities was $141,400,000 and $60,378,140, respectively. The capital of the banks in the other reserve cities aggregated $178,180,260, and their circulation $74,756,700. The banks located elsewhere than in reserve cities issue a larger proportion of circulation

to capital stock than the other associations. The capital of the 4,676 country banks was $436,183,905, and their circulation $242,879,295, or about 55 per cent. of the maximum, as against 42 per cent. by the reserve city banks. Only seventy-three of the 354 reserve city banks have issued circulation to the maximum, whereas 1,419 of the 4,676 country banks are in that class.

National Bank Notes Presented for Redemption.

The average amount of circulation in the year 1901 was $336,200,000. During that year notes to the amount of $147,400,000, or 43.8 per cent. of the total issues, were presented for redemption. Under the provisions of section 3 of the act of June 20, 1874, when notes in good condition are redeemed by the Treasurer and the latter has been reimbursed, they are forwarded to the respective associations by which they were issued. Notes of this character to the amount of $57,600,000 were received by the Treasurer, representing 39.1 per cent. of the total amount presented and 17.1 per cent. of the total issues. Notes unfit for circulation were received, redeemed, and destroyed, for which new notes were issued to the amount of $71,-400,000, which is 48.4 per cent. of the total amount presented and 21.2 per cent. of the total issues. The redemptions without reissue aggregated $18,600,000, or 12.6 per cent. of the amount presented and 5.5 per cent. of the total issues.

In 1902 notes were presented for redemption to the amount of $171,800,000, or 48 per cent. of the aggregate issues, namely, $357,900,000, of which 33.3 per cent., or $57,300,000, being in good condition, were redeemed and returned to the banks of issue. The redemptions and destructions for reissue amounted to $89,600,000, or 52.1 per cent. of the amount presented and 25 per cent. of the total issues. The redemptions during the year for which there were no reissues aggregated $20,000,-000, which was 11.6 per cent. of the amount presented and 5.6 per cent. of the total issues.

The average amount of notes in circulation during the fiscal year 1903 was $378,-400,000, and of the amount there was presented for redemption $196,400,000, or 51.9 per cent. Notes returned to the bank as fit for circulation amounted to $62,500,000, or 31.8 per cent. of the amount presented for redemption and 16.5 per cent. of the total issues. The redemptions and destructions of unfit notes for reissue aggregated $104,600,000, 53.2 per cent. of the amount presented and 27.6 per cent. of the total issues. The percentage of notes redeemed and destroyed without reissue was 6.9, the amount being $26,200,000.

In 1886 the average life of notes of all denominations was calculated to be 4.9 years and in 1898 4.4 years. Confining the comparison to redemptions for reissue, it is shown that a trifle in excess of one-fifth of the issues of active banks were received for redemption, destruction, and reissue in 1901; in 1902, one-fourth, and in 1903, a trifle in excess of one-fourth, namely, 27.6 per cent. In other words, the life of notes of this character in 1901 was 4.7 years; in 1902, four years, and in 1903, 3.6 years, or an average for the three years of 4.1 years.

During the year ended October 31, 1903, National bank notes to the amount of $220,283,487 were presented at the Treasury Department for redemption, of which about $74,000,000, being in "fit" condition for circulation, were redeemed and returned to the banks of issue, and the balance, approximately $148,000,000, redeemed and destroyed. Eighty per cent. of the receipts for redemption came from the cities of New York, Boston, Chicago, Philadelphia and St. Louis. The amount received from New York was $115,000,000, or about 50 per cent. of the total receipts; $21,000,000 was received from Boston, $20,000,000 from Chicago, $15,000,000 from Philadelphia, and $10,000,000 from St. Louis. The aggregate cost of redemption of the notes presented for that purpose during the year amounted to $174,477.62, or an average of $0.90262 per $1,000.

In addition to the expense for the redemption of their circulating notes the banks paid in semi-annual duty on notes during the year ended June 30, 1903, the sum of $1,708,819.92; in fees for the examination of banks $324,598.97, and for plates for printing of circulation for new banks and those extending their charters, $94,800.

PROFIT ON NATIONAL BANK CIRCULATION.

The question of profit on National bank circulation is frequently submitted to this office in connection with the organization of National banks and the increase of circulation of existing associations. The Comptroller has had computed by the Actuary of the Treasury Department the profit on $100,000 of circulation based on the security of two per cent. consols of 1930 at the average net price monthly for the year ended October 31, 1903. In the computation money is assumed to be worth six per cent., in consequence of which the gross receipts are uniform—$2,000 interest on the bonds and $6,000 on the circulation. Deductions are made covering the tax on notes at the rate of one-fourth of one per cent. semi-annually, cost of redemptions, plates, agents' fees, and the sinking fund. From the net receipts is deducted the interest on the cost of the bonds at six per cent., to show both the amount and rate per cent. of profit monthly in excess of six per cent. during the year. The frequent fluctuations in the market price of these securities cause the variations in the percentage of profit, which range from a minimum of 0.689 in January to a maximum of 0.935 in May.

Profit on $100,000 National Bank Circulation Based on a Deposit of a Like Amount of United States Consols of 1930 at the Average Net Price, Monthly, of Bonds during the Year ended October 31, 1903.

Date.	Cost of bonds.	Net receipts from interest on bonds at 2 per cent and on circulation at 6 per cent	Interest on cost of bonds at 6 per cent.	Profit on circulation in excess of 6 per cent on the investment	
				Amount	Per cent
1902.					
November	$109,071	$7,304.31	$6,544 26	$760.05	0.696
December	108,287	7,315 10	6,497 22	817 88	755
1903.					
January	109,143	7,301.66	6,548.58	753.08	689
February	108,193	7,315.06	6,491 58	823.48	761
March	107,477	7,325.07	6,448.62	876.45	815
April	106,417	7,340.46	6,385.02	955.44	897
May	105,944	7,347 03	6,356.64	990.39	935
June	106,108	7,343.98	6,366 48	977 50	921
July	106,692	7,334.39	6,401 52	932.87	874
August	106,615	7,334.95	6,396.90	938.05	879
September	108,753	7,300.96	6,525.18	775.78	713
October	107,186	7,324.70	6,431 16	893.54	833

COMPARISON OF CIRCULATION WITH CAPITAL AND RESOURCES OF NATIONAL BANKS, AND ALSO WITH THE COUNTRY'S STOCK OF MONEY.

The relation of circulation to aggregate assets of National banking associations varied from 20 per cent., approximately, during the first ten years of the existence of the National banking system to a minimum of four per cent. in 1890. The highest rate since that time was 6.4 in October, 1896, and since that year has varied from a minimum of 4.2 to a maximum of 5.9.

The stock of specie and other currency of the country on June 30, 1863, was $674,800,000; in 1873, $774,400,000; in 1883, $1,472,400,000; in 1893, $1,738,800,000, and in 1903, $2,688,100,000. The percentage of National bank circulation to money in the country ranged from 35.5 in 1866, when the outstanding circulation had nearly reached the legal limit, to a maximum of 43.7 in 1873; declined to 37.2 in 1876; rose

to 38 in 1877, and thereafter steadily decreased to 7.8 in 1891. In 1892 the rate was 8.1; rose to 11 in 1896; declined to 9.1 in 1899; again increased to 12.8 in 1901; dropped to 12.1 in 1902, but rose to 12.9 at the close of June, 1903, the highest rate since 1886, but less than at that date by 2.8 per cent.

Money in the Banks of the Country.

Efforts to ascertain, in detail, information with respect to the amount and character of the money held by banks other than national have not been attended with entirely satisfactory results. In the report for 1902, in order to show as nearly as possible the amount of gold and silver in banks, the cash holdings of banks other than national, located in States not reporting the exact amount in detail, were estimated upon the basis of specie, etc., held by the National banks in such States. In the present compilation the cash holdings are classified exactly as reported to this office and necessarily show a reduction in the items gold and silver and a corresponding increase in unclassified cash. A summary of the returns is incorporated in the following table:

Gold, etc., Held by National Banks on June 9, 1903, and by Other Banks and Bankers Reporting to this Office on or about the Same Date.

Classification.	National banks (4,939).	All other banks (8,745).	Total all banks (13,684).
Gold coin	$107,539,938	$31,387,320	$138,927,258
Gold Treasury certificates	104,561,520	a 33,001,187	137,562,707
United States certificates for gold deposited	28,505,000	....	28,505,000
Gold clearing-house certificates	64,984,000	....	64,984,000
Silver dollars	10,560,422	13,816,579	24,377,001
Silver, fractional	9,114,765	....	9,114,765
Silver Treasury certificates	63,350,783	8,312,752	71,663,485
Legal tenders	163,592,829	72,422,740	236,015,569
National-bank notes	27,625,685	10,952,717	38,578,402
Fractional currency	1,611,235	....	1,611,235
Specie, not classified	....	1,424,290	1,424,290
Cash, not classified	....	104,495,941	104,495,941
Total	581,446,127	275,813,526	857,259,653

a Includes $11,520,447 gold clearing-house certificates in State banks of New York.

Distribution of Money in the Country.

In the following table is shown in millions of dollars the amount of coin and other currency in the United States at the close of the fiscal year ended June 30, 1892 to 1903, inclusive; coin, etc., in Treasury as assets, amount in circulation and the latter divided, to show the amount in banks and elsewhere, with the percentage for

Year	Coin and other money in the United States.	Coin, etc., in Treasury as assets.		Money in reporting banks.		Money not in Treasury or banks.			In circulation, exclusive of coin, etc., in Treasury as assets.	
		Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent	Per capita.	Amount.	Per capita
	Millions.	*Millions.*		*Millions.*		*Millions.*			*Millions.*	
1892	$1,752.2	$150.9	8.60	$586.4	33.48	$1,014.9	57.92	$15.50	$1,601 3	$24.44
1893	1,738.8	142.1	8.17	515.9	29.68	1,080.8	62.15	16.14	1,596.7	23.85
1894	1,805.0	144.2	7.99	688.9	38.17	971.9	53.84	14.21	1,660.8	24.28
1895	1,819.3	217.4	11.95	631.1	34.69	970.8	53.36	13.89	1,601 9	22.93
1896	1,799.9	293.5	16.31	531.8	29.55	974.6	54.14	13.65	1,506.4	21.10
1897	1,905.9	265.7	13.95	628.2	32.96	1,012.0	53.09	13.87	1,640.2	22.49
1898	2,073.5	235.7	11.37	687.7	33.17	1,150.1	55.46	15.43	1,837.8	24.66
1899	2,190.0	286.0	13.06	723.2	33.02	1,180.8	53.92	15.51	1,904 0	25.01
1900	2,339.7	284.6	12.16	749.9	32.05	1,305.2	55.79	17.11	2,056.1	26.94
1901	2,483.1	307.6	12.39	a 794.9	32.02	1,380.4	55.59	17 75	2,175.3	27 98
1902	2,563.2	313.9	12.24	b 837.9	32.69	1,411.4	55.07	17 90	2,249.3	28.53
1903	2,684.7	317.0	11.80	c 848.0	31.59	1,519.7	56.61	18.88	2,367 7	29.42

a $12,567,265, b $10,125,909, and c $9,240,801 in banks of island possessions not included in these returns.

each year in the Treasury, in banks, and in circulation; the per capita in circulation, exclusive of the amount held in the Treasury, and the amount in circulation, exclusive of the amount in Treasury and in the banks.

Conditions existing in 1896, as will be seen by reference to the foregoing table, resulted in a loss of cash in banks of nearly $100,000,000 as compared with the holdings in 1895. In 1897, however, the amount held, $628,200,000, very nearly equaled the volume in banks in 1895. By 1902 there had been a gain over 1897 of nearly $210,000,000, and in 1903 a further gain of $10,000,000. The fluctuations in amount and per cent. of money held by the banks, geographically considered, in the years 1896, 1897, 1902, and 1903 are interesting.

The following statement shows the amount and *pro rata* distribution of money in the banks of the country, by geographical divisions, for the years indicated :

Divisions.	1896.		1897.		1902.		1903.	
	Amount (millions).	Per cent.	Amount (millions).	Per cent.	Amount (millions).	Per cent.	Amount (millions).	Per cent.
New England States.	$51.3	9.75	$56.6	9.01	$66.6	7.95	$62.2	7.34
Eastern States	262.2	49.30	311.1	49.53	390.6	46.61	390.2	46.01
Southern States	36.9	6.94	40.6	6.46	57.4	6.85	59.8	7.05
Middle States	134.1	25.21	166.3	26.47	240.1	28.66	243	28.66
Western States	21	3.95	23.7	3.77	34.5	4.12	39.6	4.68
Pacific States	26.3	4.95	29.9	4.76	48.7	5.81	53.2	6.26
Total	531.8	100	628.2	100	837.9	100	848	100

STOCK OF MONEY OF THE WORLD.

The stock of money of the world, as shown by statistics compiled by the Mint Bureau, as of January 1, 1903, was $11,996,400,000, classified as follows: Gold, $5,382,600,000 ; silver, $3,680,300,000 ; uncovered paper currency, $2,933,500,000. The stock of the United States approximates one-fifth of the aggregate, amounting to $2,377,400,000, represented by $1,248,000,000 gold, $673,300,000 silver, and $456,-100,000 uncovered paper currency. The per capita of gold in the world is $4 19, silver $2.86, and paper $2.28, and the aggregate per capita $9.33. The United States per capita of gold is $15.64, silver $8.44, paper $5.71, aggregate $29.79. With the exception of France, the Straits Settlements, and the South American States (excluding Bolivia and Colombia), the per capita of money in the United States exceeds all other countries, and its per capita of gold is the greatest with the following exceptions: France, $24.36; South African Republic, $24.33, and Australasia, $23.38.

Population, Wealth, Money in the Country, Per Capita of Money in Circulation, Bank Clearings, Imports, and Exports by Decades.

[Population, etc., in millions and decimals.]

Year.	Population.	Wealth.	Money in United States.	Money in circulation per capita.	Bank clearings.	Imports.[a]	Exports.[a]
1800	5.3	....	$28.0	$4.99	....	$91.2	$70.9
1810	7.2	....	58.0	7.60	....	85.4	66.7
1820	9.6	....	69.1	6.96	....	74.4	69.6
1830	12.8	....	93.1	6.69	....	62.7	71.6
1840	17.0	....	189.9	10.91	....	98.2	123.6
1850	23.1	$7,135.7	285.3	12.02	....	173.5	144.3
1860	31.4	16,159.6	442.1	13.85	....	353.6	333.5
1870	38.5	30,068.5	722.8	17.50	....	435.9	392.7
1880	50.1	42,642.0	1,185.5	19.41	....	667.9	835.6
1890	62.6	65,037.0	1,685.1	22.82	$58,845.2	789.3	857.8
1900	76.3	[b] 94,300.0	2,339.7	26.94	84,582.4	849.9	1,394.4
1903	80.4	....	2,684.7	29.42	114,068.8	1,025.7	1,420.1

[a] Statement of imports and exports includes bullion and specie prior to 1830; merchandise only since 1830.

[b] Estimated by Bureau of Statistics.

The Straits Settlements lead in the per capita of silver, namely, $47.45; France follows with $10.79, the Netherlands $10.68, Spain $9.34, and the United States, with $8.44. The per capita of uncovered paper currency is the greatest, $27.90, in the South American States; second in order is Greece, $20.29, followed by Belgium, $16.16; Portugal, $11.67; Canada, $10.54, the per capita in the United States being $5.71.

In connection with the foregoing the preceding table is of interest, relating to the growth by decades from 1800 to 1900 of population, money in the United States, the per capita in circulation, and the imports and exports, together with the wealth of the country from 1850 to 1900, and clearings for 1890, 1900, and 1903.

Foreign Banks of Issue, Etc.

In foreign publications containing data relating to banks of issue, and banks not issuing circulating notes, the principal items of resources and liabilities only are given. The consolidated statements appearing in the Bulletin de Statistique and L'Economiste Européen relate exclusively to specie holdings, circulation outstanding, deposits and advances, or loans and discounts.

The following table is a combination of returns relating to the principal foreign banks of issue with other foreign banks, and is presumed to be comprehensive and accurate, so far as it relates to the items indicated:

Capital, Specie, Circulation, etc., of the Principal Foreign Banks of Issue on or about June 30, 1903.

[Expressed in millions of dollars.]

Country.	Period	Number of depositors.	Total deposits.	Average deposit account.	Average deposit per inhabitant.	Rate of interest.	Population
Russia (in Europe)...	1903	4,517,342	$491,317,622	$108.76	$3.48	....	141,000,000
Finland	1900	181,269	15,700,000	86.61	5.87	....	2,673,000
Germany............	1900	14,863,956	2,103,582,754	141.52	37.32	....	56,367,178
Prussia a........	1901	9,034,937	1,367,768,065	151.38	39.67	....	34,472,509
Japan	1901-2	6,506,717	35,852,467	5.51	80	4 to 9	b 44,805,937
Austria	1901-2	4,946,307	876,941,933	177.29	33.47	3¼ to 4	c 26,204,047
Hungary	1900	1,202,889	283,995,000	236.09	14.85	....	19,122,000
United Kingdom.....	1902	10,803,555	959,236,637	88.80	22.86	....	d 41,961,212
France	1901	11,051,979	854,879,328	77.35	21.94	....	38,961,945
Italy e	1901	6,021,662	431,764,353	71.70	13.30	....	f 32,475,253
Belgium............	1901	1,908,463	150,191,761	78.69	22.08	2¼ to 4	6,800,000
Canada g...........	1902	211,762	58,438,188	27.60	10.88	....	5,371,315
Holland	1900-1901	1,256,451	69,831,686	55.58	13.48	....	c 5,179,128
Sweden.............	1901	1,865,596	143,418,740	76.87	27.71	....	5,175,228
India h.............	1901	816,651	32,583,673	39.90	.14	....	231,898,807
Australasia, including New Zealand...	1901-2	1,252,219	195,273,475	155.94	42.26	....	4,620,494
Denmark...........	1901	1,176,853	176,244,144	150.00	71.95	....	2,449,540
Norway	1901	695,524	86,292,423	124.06	38.52	....	2,240,032
Total	....	69,279,195	6,965,544,184	100.54	10.43	....	667,305,116
United States.........	1903	7,035,228	2,935,204,845	417.21	36.52	2.8 to 3.5	80,487,000
Grand total.....	....	76,314,423	9,900,749,029	....	....	....	....

a Included with Germany.
b Year ended March 31
c Population Dec. 31, 1900.
d Estimated population as per middle of 1902.
e Exclusive of cooperative savings banks and ordinary credit companies.
f Census Feb. 10, 1901.
g Post-office and Government savings banks only.
h Data for post-office savings banks only.

Savings Banks of the World.

Through the aid of the Bureau of Statistics of the Department of Commerce and Labor information has been obtained with respect to the number of depositors and total deposits in foreign Savings banks, both trustee and postal. In the table following will be found statistics covering the number of depositors and deposits, together

with the average deposit account, average deposit per inhabitant, and rates of interest allowed on savings accounts in countries relative to which returns of that character have been received.

To the statistics relating to foreign Savings banks have been added the number of depositors and deposits in the Savings banks of the United States, resulting in a total of savings depositors of 76,314,423 and in savings deposits of $9,900,749,029. The average per capita deposit in foreign Savings banks is $100.54 and the deposit per inhabitant $10.43. The average account in the Savings banks of the United States is $417.21 and the average per inhabitant $36.52.

Number of Depositors, Amount of Deposits, Average Deposit Account, Average Deposit per Inhabitant at the end of the Years Mentioned, and Rates of Interest on Deposits Paid by Postal and other Savings Banks of the World.

[From official sources.]

European banks.*	Capital.	Gold.	Silver.	Total specie.	Circulation.	Deposits.	Advances.	Rate of discount.
								Per cent.
Bank of France	35.2	483.3	216.9	700.2	837.6	95.2	253.6	3
Imperial Bank of Germany	28.9	174.7	61.4	236.0	279.3	155.6	220.8	4
Banks of issse of Germany	15.8	11.2	4.0	15.3	34.9	23.9	47.3	....
Bank of England	70.8	180.1	....	180.1	145.7	235.9	181.0	3
Banks of Scotland	45.3	24.7	3.7	28.4	35.7	a 518.0	a 348.6	....
Banks of Ireland	35.1	15.8	1.9	17.8	35.7	a 245.5	a 188.2	....
Bank of Austria-Hungary	41.9	224.8	62.1	287.0	296.2	33.2	56.9	3½
National Bank of Belgium	9.6	16.8	4.6	21.4	117.9	9.8	107.3	3
National Bank of Bulgaria	1.8	2.3	2.1	4.4	5.6	13.9	7.9	8
National Bank of Denmark	6.8	20.5	....	20.5	28.0	1.6	10.0	4½
Bank of Spain	28.9	70.3	100.0	170.2	314.8	120.2	197.4	4
National Bank of Greece	3.9	.2	.2	.4	25.7	16.0	8.5	6½
Bank of Netherlands	8.0	19.1	32.2	51.3	90.3	1.9	49.6	3½
Bank of Italy	28.9	73.1	13.9	87.1	144.8	35.1	63.9	5
Bank of Naples }	11.6	{ 16.0	2.7	18.7	50.8	12.2	24.1	5
Bank of Sicily }		{ 7.7	.4	8.1	11.4	6.6	8.1	5
Bank of Norway	3.5	6.8	....	6.8	16.4	2.3	12.9	5
Bank of Portugal	14.6	5.2	7.7	12.9	74.7	1.9	24.9	5½
National Bank of Roumania	2.9	12.7	.8	13.5	30.1	....	11.4	5
Imperial Bank of Russia	28.3	390.4	46.3	436.8	297.6	68.5	174.9	4½
Bank of Finland	1.9	4.0	.6	4.6	13.5	5.0	9.8	....
National Bank of Servia	1.1	3.5	1.7	5.2	6.8	1.7	2.5	6
Royal Bank of Sweden	11.9	14.7	1.4	16.0	36.1	9.3	23.4	4½
Private banks of Sweden	20.7	.6	4.1	4.6	4.2	148.6	87.2	....
Banks of issue of Switzerland	30.1	20.8	2.3	23.1	41.9	239.3	53.1	4
Total	487.5	1,799.3	571.0	2,370.4	2,973.7	2,001.2	2,173.3	....
OTHER FOREIGN BANKS.								
England, joint stock and private banks of d	259.2	....	....	e 782.0	3.5	3,043.8	1,997.3	....
Imperial Ottoman Bank a	4.8	....	....	10.0	5.4	49.8	28.2	....
Bank of Algiers b	....	....	....	7.3	18.9	5.0	13.5	....
Bank of Japan	14.9	54.6	....	54.6	115.4	9.8	40.7	....
Banks of Mexico	104.8	....	....	60.8	92.3	152.3	201.9	....
Banks of Canada	77.6	....	....	14.3	60.4	420.2	473.8	....
Banks of Australasia	94.1	....	....	c 124.7	25.9	617.0	586.9	....
Total	555.4	54.6	....	1,053.7	319.8	4,297.9	3,342.3	....
Grand total	1,042.9	1,853.9	571.0	3,424.2	3,295.5	6,299.1	5,515.7	....

*Statement of European banks from "L'Économiste Européen," July 3, 1903, except deposits and advances of banks of Scotland and Ireland and the capital stock of the various banks.
a Revue de Banques.
b Bulletin de Statistique.
c Includes specie, bullion, and cash balances.
d Includes Wales.
e Cash, money at call and short notice.

In the following table statistics are incorporated relating wholly to foreign postal Savings banks which have been deducted from the foregoing table comprising returns from both trustee and postal savings institutions:

Foreign Postal Savings Bank Returns.

[From official sources.]

Country.	Year	Number of depositors.	Deposits.	Average deposit.
United Kingdom	1902	9,133,161	$703,720,660	$77.05
France[a]	1901	3,805,881	208,515,240	54.78
Italy	1902	4,854,519	156,248,204	32.19
Austria:				
Savings department	1902	1,610,530	32,870,084	20.40
Banking department	1902	51,853	52,344,476	1,009.48
Hungary:				
Savings department	1900	389,083	6,632,944	17.05
Banking department	1900	7,222	6,811,076	943.10
Australasia	1901	444,264	64,874,717	146.03
Belgium	1901	1,483,270	20,358,150	13.72
Canada	1902	162,761	42,320,209	260.01
Cape Colony	1901	82,753	12,218,628	147.65
British Guiana	1901	8,262	238,327	28.84
India	1901	816,651	32,583,673	39.90
Netherlands	1901	896,761	37,696,208	42.03
Sweden	1901	573,800	14,532,662	25.32
Russia	1903	1,212,608	79,420,210	65.56
Total		25,533,379	1,471,385,468	57 63

[a] Data relating to the "Caisse Nationale d'épargne."

THE BANKING POWER OF THE WORLD.

The capital, surplus profits, deposits and circulation of banks of the United States, characterized as the "banking power," aggregate $13,310,405,650, in which is included that of National banks amounting to $4,993,046,686; reporting State banks and bankers, $7,662,433,013, and non-reporting banks, estimated, $654,925,951.

The banking power of foreign countries, based upon the most reliable data, is stated to be $18,088,000,000 and the aggregate power of the world $31,398,000,000. Comparing this estimate with Mulhall's of 1890, it is shown that the banking power of the United States has increased since that date $8,160,000,000, or 158.4 per cent., the banking power of foreign countries $7,253,000,000, or 66.9 per cent., and the combined banking power of the world from $15,985,000,000 to $31,398,000,000, a total increase of $15,413,000,000, or 96.4 per cent. The subjoined tables give in detail the banking power of the United States, of foreign countries, and of the world, the latter being a comparative statement of conditions in 1890 and 1903:

BANKING POWER OF THE UNITED STATES.

	Number.	Capital.	Surplus, etc.	Deposits.	Circulation.	Total.
National banks	4,939	$743,506,048	$542,183,587	$3,348,095,992	$359,261,109	$4,993,046,686
State, etc., banks	8,745	578,418,944	731,314,014	6,352,700,055		7,662,433,013
Nonreporting banks	[a] 4,546	152,403,520		502,522,431		654,925,951
Total	18,230	1,474,328,512	1,273,497,551	10,203,318,478	359,261,109	13,310,405,650

[a] Estimated.

BANKING POWER OF FOREIGN COUNTRIES.

[In millions of dollars.]

	Capital.	Surplus.	Circulation	Deposits.	Total.
Principal European banks of issue	487.5		2,975.7	2,001.2	5,464.4
Other foreign banks	555.4		319.8	4,297.9	5,173.1
Surplus, etc. (estimated)		485.0			485.0
Total	1,042.9	485.0	3,295.5	6,299.1	11,122.5
Foreign savings banks				6,965.5	6,965.5
Total	1,042.9	485.0	3,295.5	13,264.6	18,088.0

WORLD'S BANKING POWER.

[In millions of dollars.]

	1890.	1903.	Increase.	
			Amount.	Per cent.
Banking power, United States	5,150	13,310	8,160	158.4
Banking power of foreign countries	10,835	18,088	7,253	66.9
Banking power of the world	15,985	31,398	15,413	96.4

STATE, SAVINGS, PRIVATE BANKS, LOAN AND TRUST COMPANIES.

Circular letters from this Bureau requesting reports of condition as of June 30, 1903, were mailed early in June last to approximately 3,300 private banks and bankers in the various States and to 700 incorporated banks located in States where the laws do not require the submission or publication of reports. In response to these requests about 900 private banks and bankers sent reports of condition more or less complete, making, with the reports received from official sources, 33⅓ per cent. of the private banks in existence, as shown by the most reliable data obtainable. Summarizing the returns, information has been obtained relative to the conditions of 8,745 incorporated and private banks and bankers, of which 5,962 are State banks, 531 loan and trust companies, 1,078 mutual and stock Savings banks, and 1,174 private banks and bankers.

For purposes of comparison there is given herewith a table showing the principal items of resources and liabilities of banks other than National in the years 1898 to 1903, inclusive:

Consolidated Returns from State, Savings, Private Banks and Trust Companies, 1898 to 1903, inclusive.

Items.	1898.	1899.	1900.	1901.	1902.	1903.
Loans	$2,480,874,360	$2,659,940,630	$3,013,449,827	$3,444,377,672	$3,942,592,907	$4,296,675,586
Bonds	1,304,890,322	1,527,595,160	1,723,830,351	1,935,625,964	2,094,496,729	2,334,329,907
Cash	194,913,450	210,884,047	220,667,109	240,145,951	250,815,787	275,813,526
Capital	370,073,788	368,746,648	403,192,214	430,401,557	499,621,208	578,418,944
Surplus and undivided profits	399,706,497	418,798,087	490,654,957	538,866,278	614,509,805	731,314,014
Deposits	3,664,797,296	4,246,500,852	4,780,893,692	5,518,804,859	6,005,847,214	6,352,700,055
Resources	4,681,328,357	5,196,177,381	5,841,658,820	6,681,567,334	7,355,110,843	8,016,181,848

From an examination of the returns submitted with respect to the rate of interest paid on the savings accounts, it will be noted that the maximum rate of interest is 4 per cent. and the minimum rate 2.8 per cent.. The estimated average rate is 3⅓ per cent., a slight decrease from the estimated average interest rate in 1902.

In 1866 the number of depositors in Savings banks reached 1,000,000 and the deposits $282,455,794, the average account being $264.70. In 1870 the number of depositors had increased to 1,630,846, the amount of deposits to $549,874,358, and the average account $337.17. By 1880 the deposits reached $819,106,973 and the number of depositors 2,335,582, and average account $350.71. The amount of the credit of savings deposits in 1890 was $1,524,844,506, the number of depositors 4,258,893, and the average deposit account $358.03. The number of depositors in 1900 was 6,107,083, the average deposit $401.10, and the total amount to the credit of depositors $2,449,547,885. The amount to the credit of Savings bank depositors in 1903 was greater than the entire stock of money in the country, amounting to $2,935,204,845, to the credit of 7,035,228 depositors. The average account was $417.21, and the average per capita to population of the country $36.52.

From the most reliable records at command it appears that there are in existence

Number of Savings Depositors, Aggregate Savings Deposits, and Average Amount Due to Depositors in Savings Banks in each State in 1901-2 and 1902-3.

States, etc.	1901-2 (1,036 banks)			1902-3 (1,078 banks).		
	Number of depositors.	Amount of deposits.	Average to each depositor.	Number of depositors.	Amount of deposits.	Average to each depositor.
Maine	193,005	$72,082,694	$373.47	208,141	$74,781,073	$359.28
New Hampshire	147,928	60,249,862	407.29	155,309	63,919,183	411.56
Vermont	128,529	41,987,497	326.68	134,323	44,628,150	332.24
Massachusetts	1,593,640	560,705,752	351.84	1,660,814	586,937,084	353.40
Rhode Island	138,366	71,900,541	519.64	150,342	74,534,628	495.77
Connecticut	425,588	193,248,909	454.07	444,407	203,522,226	457.96
Total New England States	2,627,056	1,000,175,255	380.72	2,753,336	1,048,322,344	380.74
New York	2,229,661	1,051,689,186	471.68	2,327,812	1,112,418,552	477.88
New Jersey	227,130	69,866,709	307.60	238,210	73,722,729	309.48
Pennsylvania	396,877	120,441,275	303.47	407,652	128,514,295	315.25
Delaware	4,187	1,265,586	302.26	[a] 21,792	6,586,851	302.26
Maryland	186,293	64,367,767	345.52	155,299	62,253,508	400.86
District of Columbia	10,845	1,309,555	120.75	11,758	1,654,715	140.73
Total Eastern States	3,054,993	1,308,940,078	428.46	3,162,523	1,385,150,650	437.99
West Virginia	4,687	680,372	145.16	4,853	836,358	172.33
North Carolina	12,201	2,451,838	200.95	[b] 17,721	3,282,164	185.21
Total Southern States	16,888	3,132,210	185.47	22,574	4,118,522	182.44
Ohio	103,405	48,180,438	465.94	108,854	52,306,123	480.51
Indiana	24,362	7,288,506	299.17	24,733	8,072,500	326.38
Illinois	[b] 277,879	[c] 100,072,804	360.13	[b] 360,991	[c] 119,721,739	331.64
Wisconsin	3,908	719,009	183.98	4,290	810,533	188.93
Minnesota	63,293	15,526,701	245.31	69,763	18,624,665	266.97
Iowa	[a] 238,421	85,703,614	359.46	[a] 240,063	86,602,757	360.75
Total Middle States	711,268	257,491,072	362.02	808,694	286,138,317	353.83
California, total Pacific States	[a] 256,467	180,438,675	703.55	[a] 288,101	211,475,012	734.03
Total United States	6,666,672	2,750,177,290	412.53	7,035,228	2,935,204,845	417.21

[a] Estimated.
[b] Partially estimated.
[c] Savings deposits in State institutions having savings departments; abstract of reports included with State banks.

in the country about 18,000 banks and banking institutions, including private bankers. In addition to returns from National banking associations reports have been received from 8,745 State and private banks, making the total number reporting 13,684. The aggregate capital of reporting banks is shown to be $1,321,924,992; deposits, $9,700,796,047, and aggregate resources, $14,303,116,954.

The principal items of resources and liabilities of National banks on June 9, and of all other banks and banking institutions on or about June 30, 1903, are incorporporated in the following table:

	4,939 National banks.	*8745 other banks.*	*13,684 banks.*
Loans	$3,442,304,495	$4,296,675,586	$7,738,980,081
United States bonds	527,101,439	18,638,342	545,739,781
Other bonds	538,671,472	2,315,691,565	2,854,363,037
Cash	581,446,127	275,813,526	857,259,653
Capital	743,506,048	578,418,944	1,321,924,992
Surplus and profits	542,183,537	731,314,014	1,273,497,551
Deposits	3,348,095,992	6,352,700,055	9,700,796,047
Aggregate resources	6,286,935,106	8,016,181,848	14,303,116,954

Inquiries addressed to State officials requesting reports of resources and liabilities of the banks called also for information as to the number and capital of banks of various character organized in each State during the year ended June 30, 1903. While the returns do not cover the total number of organizations in every State, they are complete and official with respect to the States from which information was received. A summary of the returns shows the organization of 754 banks, with

capital stock of $35,073,517, of which 611, with capital of $19,844,898, were incorporated commercial banks; 110, with capital of $14,912,504, loan and trust companies; seven, with capital of $172,000, Savings institutions, and twenty-six private banks, with capital of $144,115.

Reports covering the amount and average rate per cent. of dividends paid by State and private banks and by loan and trust companies, submitting information of that character, for the year ended on or about June 30, 1903, were received from 2,894 State banks, with capital of $140,412,289, showing the payment of dividends to the amount of $12,526,819, or an average of 8.95 per cent.; from 395 loan and trust companies, with capital of $174,240,937, which paid dividends to the amount of $17,045,214, or 9.78 per cent.; and from 400 private banks and bankers, with capital of $8,620,494, reporting dividends paid to the amount of $1,084,274, an average rate of 12.57 per cent. The average dividend paid by State banks remains practically the same as reported in 1902, while that paid by loan and trust companies shows an increase of nearly one per cent.

Growth of Banking in the United States.

In 1882 there were in operation 2,239 National banking associations, with capital of $477,200,000 and deposits of $1,131,700,000; and also, as shown by reports to this office, 5,063 incorporated State and private banks, with capital and deposits of $234,900,000 and $1,718,700,000, respectively, or an aggregate of 7,302 banks and banking institutions, with capital of $712,100,000 and deposits of $2,850,400,000.

From returns made to this office on or about June 30, 1903, it is shown that the number of National banks has increased since 1882 to 4,939, with capital of $743,506,048 and deposits of $3,348,095,992. The number of State and private banks in existence in 1903 was 13,291, with capital of $730,822,464 and deposits of $6,855,222,486. The total number of National, State and private banks is shown to be 18,230, the capital $1,474,328,512, and the deposits $10,203,318,478.

As will be observed from the accompanying table, the increase in number of National banks from 1882 to 1903 was over 120 per cent., and that of banks other than national over 162 per cent. In 1882 National bank capital represented 67.01 per cent. and the deposits 39.7 per cent. of the aggregate capital and deposits of all reporting banks and banking institutions. The percentage of both capital and deposits of National banks shows a gradual reduction from that date to 1903 to 50.43 per

Banks.	Number.	Capital.		Deposits.	
		Amount.	Per cent.	Amount.	Per cent.
1882.					
National	2,239	$477,200,000	67.01	$1,131,700,000	39.7
State, etc	5,063	234,900,000	32.99	1,718,700,000	60.3
Total	7,302	712,100,000	100.00	2,850,400,000	100.00
1892.					
National	3,759	684,678,203	63.9	1,767,519,745	37.8
State, etc	5,579	386,394,845	36.1	2,911,594,571	62.2
Total	9,338	1,071,073,048	100.00	4,679,114,316	100.00
1902.					
National	4,535	701,990,554	52.4	3,222,841,898	33.2
State, etc	7,889	499,621,208	47.6	6,005,847,214	66.8
Reporting for tax only	3,732	138,548,654		478,592,792	
Total	16,156	1,340,160,416	100.00	9,707,281,904	100.00
1903.					
National	4,939	743,506,048	50.43	3,348,095,992	32.81
State, etc	8,745	578,418,944	49.57	6,352,700,055	67.19
Nonreporting	4,546	152,403,520		502,522,431	
Total	18,230	1,474,328,512	100.00	10,203,318,478	100.00

cent. and 82.81 per cent,. respectively. Within the period in question the capital of National, State and private banks was practically doubled and the deposits nearly quadrupled.

Comparing the number of banks, capital and deposits with the population of the United States, it appears that in 1882 there was one bank for every 7,190 inhabitants, the capital amounting to $13.60 per inhabitant and the deposits $54 30. In 1892 there was one bank for every 7,016 inhabitants, the per capita of capital and deposits being $16.40 and $71.40, respectively. The greater increase in number of banks as compared with population in 1902 resulted in one bank for every 4,897 of population, the per capita of capital and deposits having increased to $16.90 and $122.70, respectively. In 1903 there was in active operation, as shown by reports filed in this office, one bank for every 4,410 of population, the per capita of capital being $18.30 and of deposits $126.90.

In the foregoing table is incorporated the number of reporting banks, together with capital, deposits and percentage of capital and deposits for the years indicated.

Failures of State Banks.

The managing editor of "Bradstreet's" has courteously furnished information obtained by the Bradstreet Agency relating to incorporated and private banks which failed during the year 1903, accompanied by a statement of the total liabilities and assets. The number of failures was 26; the assets of the banks being $3,166,852, and the liabilities $4,005,643. Included in the number of failures were 6 State banks, 1 Savings bank, 2 trust companies, and 17 private banks.

In 1896, through the instrumentality of the corps of National bank examiners and from receivers, assignees, and court officials, information was obtained with respect to the number of insolvent banks other than National, with their assets and liabilities at date of failure and also dividends paid on claims. The inquiry covered the period beginning with 1866 and terminating in 1896. A compilation of the returns shows that there were 1,234 failures of banks with aggregate capital of $53,632,259; nominal assets at date of failure, $214,312,190.58; and liabilities of $220,629,998.27, on which dividends were paid to the amount of $100,088,726.95, an average rate of about 45 per cent.

Banking in the Island Possessions.

Through the courtesy of the treasurers of Porto Rico and the Philippine Archipelago, and from private sources in the Hawaiian Islands, sufficient data have been obtained to indicate in what proportion the island possessions have contributed to the figures representing the banking resources of the country.

A consolidation of the reports of colonial and National banks received shows the aggregate resources of banks in these possessions on or about June 30, 1903, to have been $43,912,373. The loans, including overdrafts, aggregate $22,569,615; bonds and other securities, $1,922,663; cash in bank, $9,240,801; capital stock, $5,138,770; surplus and undivided profits, $1,688,066; individual deposits, $23,264,815.

The Philippines.

Summaries of the returns of the 10 banks in the Philippines as of dates March 31 and June 30, 1903, have been received, together with individual statements as made to the Treasurer of the Philippine Archipelago on the latter date. The principal items of resources and liabilities of these banks on June 30, 1903, are loans, including overdrafts, $13,189,137; stocks, securities, etc., $312,316; cash in bank, including gold and silver bullion and foreign currency, $8,800,201; capital stock, $1,388,265; surplus and undivided profits. $1,525,919; notes in circulation, $1,176,396; individual deposits, $9,525,236; public deposits (insular), $5,180,117. Com-

pared with the summary of reports for June 30, 1902, loans have increased in the sum of $1,442,046; stocks, etc., $9,680; cash in bank, $835,068; notes in circulation, $127,856. Individual deposits have increased $1,019,642, while public deposits, which include deposits of the Insular Treasury and of funds of disbursing officers, have decreased from $9,617,272 in 1902 to $5,180,117 for the present year, a decrease of $4,437,155 in this class of deposits. The aggregate resources show a net loss of about $2,000,000. The banks from which reports were received are the Manila agency and the Iloilo subagency of the Hongkong and Shanghai Banking Corporation, the Manila agency and Cebu subagency of the Chartered Bank of India, Australia and China, the Banco Espanol-Filipino at Manila and its Iloilo subagency, the Monte de Piedad y Caja de Ahorras of Manila, the American Bank at Manila, the Guaranty Trust Company of New York, and the International Banking Corporation of New York, making in all 10 institutions against 11 which reported last year, one bank, the North American and Philippine Loan and Trust Company, having discontinued business in the islands.

While the net reduction in the aggregate resources of these institutions since June 30, 1902, amounts, as stated, to approximately $2,000,000, all the banks named, with the exception of the two English banks and branches and one American bank, appear to have gained in their volume of assets. The withdrawal of a large portion of the insular treasury and disbursing officers' deposits from the English banks, and the transfer of a large part of such deposits to the American institutions, account for the shrinkage in the aggregate resources of the former banks and increased assets of the latter. Reports of June 30, 1903, indicate that the two principal American banks at Manila have increased their assets during the year by a sum approximating $5,500,000.

In the summary of the Philippine bank reports it will be noted that overdrafts materially exceed the loans and discounts. This item represents, in fact, mortgage loans, as it is the custom to grant the privilege of an overdraft up to a certain amount to a customer who has previously executed a mortgage on either real estate or chattels.

Hawaii.

Consolidating the returns received from the banking institutions of the Territory of Hawaii, namely, two National and four territorial and private banks, the aggregate resources amount to $7,400,954, against $8,755,641 as reported for 1902. The apparent decrease, as shown by these figures, is owing to the fact that only four of the banks responded to the Comptroller's request for a statement of condition as of June 30, 1903, one of the nonreporting banks being a large incorporated institution. The principal items of resources and liabilities of all reporting banks of the Territory are: Loans, etc., $4,957,730; bonds and stocks, $606,197; cash in bank, $1,147,-203; capital, $3,213,500; surplus, etc., $127,421; deposits, $4,743,838.

Porto Rico.

Reports have been received from 8 banks in Porto Rico, operating under Territorial laws, and one National banking institution. The consolidation of these returns shows loans aggregating $2,788,184; bonds, securities, etc., $1,003,057; cash in bank, $855,400; capital stock, $1,537,004; surplus, $273,207; deposits, $2,763,210, and aggregate resources, $6,199,902. Compared with returns for 1902, these figures indicate gains, except in respect to loans and cash in bank. The loans appear to have decreased in the sum of $186,641, and cash, $46,042. The aggregate resources have increased in the sum of $840,813 over the previous year. A recent statement furnished by the acting treasurer of the Territory relating to cash holdings of, and dividends paid by, banks of the island shows the following classification of money in bank: Fractional silver, $5,491; silver dollars, $149,721; gold coin, $215,927, and

legal-tender notes, $451,491. From the amount of dividends reported paid during the year by the various banks, it appears that two banks, namely, the Banco Espanol de Porto Rico and the American Colonial Bank, paid 5 per cent.; the Credito y Ahorro Ponceno, 8⅓ per cent., and the Banco Popular 4 per cent.

RECOMMENDATIONS.

The Comptroller again renews the recommendations contained in his report for 1902 for legislation in regard to liquidation and consolidation of National banks and extension of corporate existence. The matter of consolidation of banks was apparently very little considered at the time of the passage of the National Bank Act. The necessary method of effecting a consolidation under the law as it now exists is inconvenient and cumbersome both to the banks and to the Comptroller's office, and in the interest of better and more efficient administration the Comptroller recommends such an amendment of the law as was advised in his last report.

The National Bank Act does not sufficiently protect the rights of minority stockholders on the question of extension of expiring charters, as explained in detail in the report for 1902, and the Comptroller wishes to again call attention of the Congress to this, and respectfully urge that action be taken on this important matter for the better protection of minority or dissenting shareholders.

In the preparation of this report more than usual attention has been given to gathering information in regard to bank-note circulation, the classification of banks by geographical divisions, and also by the proportions of maximum circulation they have issued. Some useful and interesting figures and statistics in regard to the presentation of bank notes for redemption are also given.

The most notable fact in regard to the National bank circulation is the great increase in its volume, which reached $421,222,489 on September 5, 1903, the largest amount which has ever been in circulation. It is 55.43 per cent. of the maximum possible circulation, which is higher than this percentage has been since 1886. This increase in the volume of circulation has been largely due to special efforts on the part of the Treasury Department. It has been feared during the past few months that when the demand came for currency to move the crops this year it might produce more than the usual disturbance in the money market. That this demand has been met with less disturbance and less advance in rates of interest than for several years past is doubtless due largely, among other causes, to this increase in bank-note circulation. It is further of interest to note that just as the circulation was reaching its maximum and the demand for bonds had advanced their price, the deposit of lawful money to retire circulation, which for some months had been light, suddenly increased, and during the latter half of September applications were received taking up the maximum of $3,000,000 per month for the months of September, October, November and December

This still further emphasizes the most serious defect in our system, that the variation in the volume of our currency, instead of responding to the demand for currency, depends on the market price of bonds. Until our bank-note circulation is made automatically to respond to demand for currency for daily cash transactions without reference to the price of bonds, it will never be entirely satisfactory or efficient.

In the Comptroller's report for 1902 a recommendation was made that the National banks be allowed to issue a portion of their notes uncovered by the deposit of bonds. This seems the most simple and practical, as well as the safest way, to introduce some elasticity into our bank note circulation, and the same recommendation is renewed.

During the past year or more our banks have successfully stood the very severe strain due to a great decline in the market prices of all classes of securities and the natural reaction following a period of great business activity and very general spec-

ulation, not only in stocks and securities, but in many commodities and products. There have been, considering all the circumstances, fewer bank failures than might have been expected. Those which have occurred have been due to special or local causes or gross mismanagement, and, in some cases, most flagrant dishonesty on the part of the bank officials.

As a rule the reports of the bank examiners show the National banks to own very few stocks, and almost none of a very speculative character. The bank reports show total loans by all the banks of $1,372,697,751 on collateral security. These loans are mostly on good classes of stocks and bonds well margined, and as far as they are concerned, there is less cause for concern than there has been at any time for several years. The loans are readjusted on a lower basis of prices than before, and are, as a whole, as amply or more amply margined than they were on the higher prices. It is due to the banks to say that the way they have handled their business and met this decline is an evidence of strength and careful management.

That there has not been more trouble with the banks and disturbance of business generally during this period of declining prices is also a great evidence of the confidence of our people in all our money and currency. If there had been the slightest doubt as to our monetary standard or as to any of our currency in circulation we might have had a most severe and far reaching crisis. That we have not only escaped this, but that there has not been greater disturbance of general business shows what progress and improvement there has been in all our banking, financial, and monetary affairs since they were last subjected to serious strain of this kind.

In concluding this report the Comptroller desires to testify to the efficiency and zeal of the Deputy Comptroller, the chiefs of division, and the employees of this office. The work of the office has rapidly and greatly increased in the last year, and that it has been handled even more promptly than before is due to the hearty co-operation of all connected with the work, and especially to the capacity for organization and executive ability of the Deputy Comptroller, Mr. T. P. Kane. Special credit is also due to Mr. W. J. Fowler, chief of the organization division, for his work in gathering and arranging figures and statistics and their analysis for this report.

WM. B. RIDGELY, *Comptroller of the Currency.*

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

NEW COUNTERFEIT $10 NATIONAL BANK NOTE.—On the Millers River National Bank of Athol, Mass.; check letter, B; series of 1882; B. K. Bruce, Register of the Treasury; A. U. Wyman, Treasurer of the United States; charter No. 708; bank No. 8988; Treasury No. U9058. This counterfeit is a photographic production printed on two pieces of thin paper between which silk threads have been distributed. The bank and Treasury numbers have been colored maroon instead of carmine. The seal is a yellowish brown instead of chocolate. The back of note is several shades darker than the genuine.

NEW COUNTERFEIT $10 NATIONAL BANK NOTE.—On the Eliot National Bank, of Boston, Mass.; series of 1882; check letter, C; B. K. Bruce, Register; A. U. Wyman, Treasurer; charter number, 536; bank number, 4235; Treasury number, W48930. This is a photographic production on good quality paper with ink lines to imitate the silk fiber of the genuine. The makers and passers of this entire series of counterfeits were arrested December 17 and 18 in Boston, Mass., by agents of the Secret Service.

THE PRESIDENT'S MESSAGE.

RECOMMENDATIONS RELATING TO CORPORATIONS AND FINANCE.

The annual message of President Roosevelt, transmitted to Congress December 7, contained the following in reference to corporations and finance :

To the Senate and House of Representatives:

The country is to be congratulated on the amount of substantial achievement which has marked the past year both as regards our foreign and as regards our domestic policy.

Government Supervision of Corporations.

With a nation as with a man, the most important things are those of the household, and therefore the country is especially to be congratulated on what has been accomplished in the direction of providing for the exercise of supervision over the great corporations and combinations of corporations engaged in inter-State commerce. The Congress has created the Department of Commerce and Labor, including the Bureau of Corporations, with for the first time authority to secure proper publicity of such proceedings of these great corporations as the public has the right to know. It has provided for the expediting of suits for the enforcement of the Federal anti-trust law, and by another law it has secured equal treatment to all producers in the transportation, of their goods, thus taking a long stride forward in making effective the work of the Inter-State Commerce Commission.

The establishment of the Department of Commerce and Labor, with the Bureau of Corporations thereunder, marks a real advance in the direction of doing all that is possible for the solution of the questions vitally affecting capitalists and wage-workers. The act creating the department was approved on February 14, 1903, and two days later the head of the department was nominated and confirmed by the Senate. Since then the work of organization has been pushed as rapidly as the initial appropriations permitted, and with due regard to thoroughness and the broad purposes which the department is designed to serve. After the transfer of the various bureaus and branches to the department at the beginning of the current fiscal year, as provided for in the act, the personnel comprised 1,289 employees in Washington and 8,836 in the country at large. The scope of the department's duty and authority embraces the commercial and industrial interests of the nation. It is not designed to restrict or control the fullest liberty of legitimate business action, but to secure exact and authentic information which will aid the executive in enforcing existing laws, and which will enable the Congress to enact additional legislation, if any should be found necessary, in order to prevent the few from obtaining privileges at the expense of diminished opportunities for the many.

The preliminary work of the Bureau of Corporations in the department has shown the wisdom of its creation. Publicity in corporate affairs will tend to do away with ignorance, and will afford facts upon which intelligent action may be taken. Systematic, intelligent investigation is already developing facts the knowledge of which is essential to a right understanding of the needs and duties of the business world. The corporation which is honestly and fairly organized, whose managers in the conduct of its business recognize their obligation to deal squarely with their stockholders, their competitors, and the public, has nothing to fear from such supervision. The purpose of this bureau is not to embarrass or assail legitimate business; but to aid in bringing about a better industrial condition—a condition under which there shall be obedience to law and recognition of public obligation, by all corporations, great or small. The Department of Commerce and Labor will be not only the clearing-house for information regarding the business transactions of the nation, but the executive arm of the Government to aid in strengthening our domestic and foreign markets, in perfecting our transportation facilities, in building up our merchant marine, in preventing the entrance of undesirable immigrants, in improving commercial and industrial conditions, and in bringing together on common ground those necessary partners in industrial progress—capital and labor. Commerce between the nations is steadily growing in volume, and the tendency of the times is toward closer trade relations. Constant watchfulness is needed to secure to Americans the chance to participate to the best advantage in foreign trade; and we may confidently expect that the new department will justify the expectation of its creators by the exercise of this watchfulness, as well as by the businesslike administration of such laws relating to our internal affairs as are intrusted to its care.

In enacting the laws above enumerated the Congress proceeded on sane and conservative lines. Nothing revolutionary was attempted; but a common-sense and successful effort was

made in the direction of seeing that corporations are so handled as to subserve the public good. The legislation was moderate. It was characterized throughout by the idea that we were not attacking corporations, but endeavoring to provide for doing away with any evil in them; that we drew the line against misconduct, not against wealth; gladly recognizing the great good done by the capitalist who alone, or in conjunction with his fellows, does his work along proper and legitimate lines. The purpose of the legislation, which purpose will undoubtedly be fulfilled, was to favor such a man when he does well, and to supervise his action only to prevent him from doing ill. Publicity can do no harm to the honest corporation. The only corporation that has cause to dread it is the corporation which shrinks from the light, and about the welfare of such corporations we need not be over-sensitive. The work of the Department of Commerce and Labor has been conditioned upon this theory, of securing fair treatment alike for labor and for capital.

Relations of Capital and Labor.

The consistent policy of the National Government, so far as it has the power, is to hold in check the unscrupulous man, whether employer or employee; but to refuse to weaken individual initiative or to hamper or cramp the industrial development of the country. We recognize that this is an era of federation and combination, in which great capitalistic corporations and labor unions have become factors of tremendous importance in all industrial centers. Hearty recognition is given the far-reaching, beneficent work which has been accomplished through both corporations and unions, and the line as between different corporations, as between different unions, is drawn as it is between different individuals; that is, it is drawn on conduct, the effort being to treat both organized capital and organized labor alike; asking nothing save that the interest of each shall be brought into harmony with the interest of the general public, and that the conduct of each shall conform to the fundamental rules of obedience to law, of individual freedom, and of justice and fair dealing toward all. Whenever either corporation, labor union or individual disregards the law or acts in a spirit of arbitrary and tyrannous interference with the rights of others, whether corporations or individuals, then where the Federal Government has jurisdiction it will see to it that the misconduct is stopped, paying not the slightest heed to the position or power of the corporation, the union or the individual, but only to one vital fact that is, the question whether or not the conduct of the individual or aggregate of individuals is in accordance with the law of the land. Every man must be guaranteed his liberty and his right to do as he likes with his property or his labor, so long as he does not infringe the rights of others. No man is above the law and no man is below it; nor do we ask any man's permission when we require him to obey it. Obedience to the law is demanded as a right: not asked as a favor.

We have cause as a nation to be thankful for the steps that have been so successfully taken to put these principles into effect. The progress has been by evolution, not by revolution. Nothing radical has been done; the action has been both moderate and resolute. Therefore the work will stand. There shall be no backward step. If in the working of the laws it proves desirable that they shall at any time be expanded or amplified, the amendment can be made as its desirability is shown. Meanwhile they are being administered with judgment, but with insistence upon obedience to them; and their need has been emphasized in signal fashion by the events of the past year.

Government Receipts and Expenditures.

From all sources, exclusive of the postal service, the receipts of the Government for the last fiscal year aggregated $560,396,674. The expenditures for the same period were $506,099,-007, the surplus for the fiscal year being $54,297,667. The indications are that the surplus for the present fiscal year will be very small, if indeed there be any surplus. From July to November the receipts from customs were, approximately, nine million dollars less than the receipts from the same source for a corresponding portion of last year. Should this decrease continue at the same ratio throughout the fiscal year, the surplus would be reduced by, approximately, thirty million dollars. Should the revenue from customs suffer much further decrease during the fiscal year, the surplus would vanish. A large surplus is certainly undesirable. Two years ago the war taxes were taken off with the express intention of equalizing the governmental receipts and expenditures, and though the first year thereafter still showed a surplus, it now seems likely that a substantial equality of revenue and expenditure will be attained. Such being the case, it is of great moment both to exercise care and economy in appropriations, and to scan sharply any change in our fiscal revenue system which may reduce our income. The need of strict economy in our expenditures is emphasized by the fact that we can not afford to be parsimonious in providing for what is essential to our national well-being. Careful economy wherever possible will alone prevent our income from falling below the point required in order to meet our genuine needs.

Needs of the Financial Situation.

The integrity of our currency is beyond question, and under present conditions it would be unwise and unnecessary to attempt a reconstruction of our entire monetary system. The same liberty should be granted the Secretary of the Treasury to deposits customs receipts as is granted him in the deposit of receipts from other sources. In my message of December 2, 1902, I called attention to certain needs of the financial situation, and I again ask the consideration of the Congress for these questions.

Conference Between Gold Standard and Silver Standard Countries.

During the last session of the Congress, at the suggestion of a joint note from the Republic of Mexico and the Imperial Government of China, and in harmony with an act of the Congress appropriating $25,000 to pay the expenses thereof, a commission was appointed to confer with the principal European countries, in the hope that some plan might be devised whereby a fixed rate of exchange could be assured between the gold standard countries and the silver standard countries. This commission has filed its preliminary report, which has been made public. I deem it important that the commission be continued and that a sum of money be appropriated sufficient to pay the expenses of its further labors.

Theodore Roosevelt.

CONDITION OF THE NATIONAL BANKS.

Abstract of reports of condition of National banks in the United States on June 9, September 9 and November 17, 1903. Total number of banks: June 9, 1903, 4,939; September 9, 1903, 5,042; November 17, 1903, 5,118.

RESOURCES.	*June 9, 1903.*	*Sept. 9, 1903.*	*Nov. 17, 1903.*
Loans and discounts	$3,415,045,751	$3,481,446,772	$3,425,065,581
Overdrafts	27,258,743	27,191,997	51,399,000
U. S. bonds to secure circulation	368,941,370	381,568,980	380,644,780
U. S. bonds to secure U. S. deposits	152,588,925	136,940,020	142,866,870
Other bonds to secure U. S. deposits	....	22,000,134	28,739,562
U. S. bonds on hand	8,076,020	4,237,060	3,855,290
Premiums on U. S. bonds	14,238,173	14,704,044	15,812,754
Bonds, securities, etc	521,928,417	518,746,233	516,255,021
Banking house, furniture and fixtures	102,244,612	106,948,864	110,069,946
Other real estate owned	21,845,669	21,587,610	20,488,833
Due from National banks	711,844,329	260,187,597	282,606,341
Due from State banks and bankers	90,068,935	105,045,992	114,558,120
Due from approved reserve agents	22,189,625	454,907,648	437,179,855
Internal-revenue stamps	....	41,752	29,706
Checks and other cash items	....	23,436,462	24 527,239
Exchanges for clearing-house	227,580,488	147,695,772	179,111,324
Bills of other National banks	27,625,685	26,497,330	25,510,101
Fractional currency, nickels and cents	1,611,235	1,596,984	1,596,933
Specie	388,6,6,377	397,556,167	378,290,425
Legal-tender notes	163,592,829	156,749,859	142,825,352
Five per cent. redemption fund	17,803,748	18,605,093	18,497,340
Due from U. S. Treasurer	3,834,163	2,737,039	2,717,098
Total	$6,286,935,106	$6,310,429,966	$6,302,187,477
LIABILITIES.			
Capital stock paid in	$743,506,048	$753,722,658	$758,315,170
Surplus fund	359,053,429	370,390,684	375,5(8,102
Undivided profits, less expenses and taxes	183,180,107	185,980,765	189,589,034
National bank notes outstanding	359,261,109	375,037,815	376,239,205
State bank notes outstanding	42,781	42,780	42,780
Due to other National banks	660,959,960	622,838,024	606,869,237
Due to State banks and bankers	551,286,538	307,425,777	275,787,882
Due to trust companies and Savings banks	....	266,966,911	244,274,471
Due to approved reserve agents	....	29,252,062	36,827,711
Dividends unpaid	1,541,898	994,564	1,259,590
Individual deposits	3,200,993,509	3,156,333,499	3,176,201,572
U. S. deposits	179,693,054	140,411,999	153,276,818
Deposits of U. S. disbursing officers	7,717,111	9,203,001	9,236,061
Bonds borrowed	....	39,661,003	43,227,605
Notes and bills rediscounted	8,263,989	15,316,951	13,180,199
Bills payable	20,495,253	31,749,420	36,512,775
Liabilities other than those above	10,990,320	5,102,076	5,844,309
Total	$6,286,935,106	$6,310,429,966	$6,302,187,477

Changes in the principal items of resources and liabilities of National banks as shown by the returns on Nov. 17, 1903, as compared with the returns on Sept. 8, 1903, and Nov. 17, 1903:

ITEMS.	SINCE SEPT. 9, 1903.		SINCE NOV. 25, 1902.	
	Increase.	*Decrease.*	*Increase.*	*Decrease.*
Loans and discounts	.. ..	$56,381,190	$121,937,490	....
U. S. bonds	$4,620,280	....	49,297,390	....
Due from National banks, State banks and bankers and reserve agents	14,203,079	....	33,397,573	....
Specie	....	19,265,742	....	$12,991,234
Legal tenders	....	14,424,507	15,243	....
Capital stock	4,592,512	....	43,698,817	....
Surplus and other profits	8,720,686	....	47,604,633	....
Circulation	1,201,389	....	39,733,211	....
Due to National and State banks and bankers	....	62,723,492	8,866,286	....
Individual deposits	19,868,073	....	23,322,776	....
United States Government deposits	12,897,879	....	15,694,466	....
Bills payable and rediscounts	2,626,602	....	16,324,483	....
Total resources	....	8,242,488	198,095,561	....

J. H. FULTON

Manager Commercial National Bank, New Orleans

PROSPERITY IN NEW ORLEANS, THE CRESCENT CITY.

SOMETHING OF A THRIFTY SOUTHERN INSTITUTION AND ITS MANAGEMENT.

Few of the greater centers of finance and commerce have lately excited larger measure of remark than New Orleans—the "Crescent City," so called—and this not alone through its speculative, not to say also, spectacular, cotton "corner" of the season closed, but because of the general and genuine prosperity prevailing, a prosperity of which the Commercial National Bank and its auxiliary the Commercial Trust and Savings Bank are shining examples.

A most favorable showing certainly is that of the Commercial National in its June, 1903, statement, closing its first eighteen months' business, namely: Capital, $300,000, paid in; surplus and undivided profits, $105,041; loans, etc., $1,437,052; deposits, etc., $2,144,717; total resources, $2,599,758. The Commercial Trust showed at the same time a capital of $500,000; surplus of $62,500, and deposits over $1,000,000.

COMMERCIAL NATIONAL BANK BUILDING, NEW ORLEANS.

Local capital, it may be said, is largely represented in both these institutions. The Commercial National has established correspondence not only with the National banks of Louisiana, but with those of Mississippi and Texas; also with banks North, East and West, the solid Canadian Bank of Commerce, of Canada, with agencies in New York, San Francisco and London, among them.

But the success and permanent character of these allied institutions are best evinced in the new building they have erected and are jointly to occupy, situated on the corner of Carondelet and Common streets, in the midst of the sky-scraper district of tall, modern hotels, office buildings, etc., which have risen of late years in the Creole capital. This building, of white marble and terra cotta, contrasts not unfavorably in its simple classic dignity and proportions with its towering neighbors on either hand. As to its fittings and furnishings and interior generally, these certainly bear out the promise externally made. Its features are a ladies' reception room, the safety-deposit department equipped with 5,000 boxes, and vaults and safeguards of thoroughly modern pattern.

The management of these banks is practically identical. Wm. Mason Smith, of Mason Smith & Co., cotton, is President of both; I. M. Lichtenstein, of H. Lichtenstein & Son, cotton also, is Vice-President; J. H. Fulton, a banker by training, formerly of the Canadian Bank of Commerce at New York, is Manager of the Commercial National, and General Manager of the Trust Company. Mr. Fulton came to New Orleans to organize these banks, and has been a principal in them from the beginning. In New Orleans, where his work is known, he is credited with very much of their good fortune. His portrait, as that of a successful New Orleans banker, is presented herewith; also an illustration of the new bank building.

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—The annual dinner of Group VIII, New York State Bankers' Association, was held at the Waldorf-Astoria on the evening of December 17. William A. Nash, President of the Corn Exchange Bank, and chairman of the group, was unable to be present, and Gen. Thomas L. James, President of the Lincoln National Bank, acted as toastmaster.

At the chairman's table were the following guests:

George F. Baker, member clearing-house committee; Hon. James M. Beck, Dr. James H. Canfield, Major-General. Henry C. Corbin, U. S. A., commanding Department of the East; J. H. DeRidder, president New York State Bankers' Association; Hon. John J. Esch, Alexander Gilbert, member clearing-house committee; E. R. L. Gould, Chamberlain of the city of New York; Edward M. Grout, Comptroller of the city of New York; Job E. Hedges, Frederick D. Kilburn, Superintendent Banking Department of the State of New York; Right Rev. Henry C. Potter, D.D., LL.D., Bishop of New York; William B. Ridgely, Comptroller of the Currency; Rear-Admiral Frederick Rodgers, U. S. N., Commandant New York Navy Yard and station; William Sherer, Manager New York Clearing-House Association; J. Edward Simmons, member clearing-house committee; James Stillman, President New York Clearing-House Association, and the Rev. Ernest M. Stires, D.D.

The speakers included former Assistant Attorney-General James M. Beck, Dr. James H. Canfield, Hon. John J. Esch, Rev. Ernest M. Stires, and Job Hedges.

—Walter G. Oakman, President of the Guaranty Trust Co., has notified the board of directors that he will not be a candidate for re-election next April, and asked that a first Vice-President be chosen. The board of directors selected J. W. Castles for this position. Mr. Castles comes from New Orleans, where he was President of the Hibernia Bank and Trust Co.

—John Mollenhauer, who has been connected with the Dime Savings Bank of Williamsburg for twenty years, and President for the past six years, resigned recently on account of ill-health. Wm. P. Sturgis, the Vice-President, has been elected President to succeed Mr. Mollenhauer.

—Negotiations are reported as being in progress for the merger of the McVickar Realty Trust Co. and the Empire State Trust Co.

—At a recent meeting of the Board of Trustees of the Equitable Trust Co. a semi-annual dividend of five per cent. was declared—an advance of two per cent. per annum upon previous dividends. The company recently moved into the building formerly occupied by the Western National Bank, at Nassau and Pine streets.

—At the annual meeting of Group VII of the New York State Bankers' Association, at the Clarendon Hotel, Brooklyn, on the evening of December 16, a committee was appointed to consider the establishment of a clearing-house for Brooklyn and Long Island.

—The bank money order committee of the American Bankers' Association was recently in session at the office of the New York National Exchange Bank. The meeting was a very successful one—every member of the committee being present and thoroughly enthusiastic on the subject of bank money orders.

The following points were unanimously agreed upon:

First.—That there should be a uniform bank money order which can be used by any member of the American Bankers' Association when drawn on its regular correspondent, involving absolutely no extra labor or entries over the present methods of selling exchange.

Second.—That no order will be issued for more than $100.

Third.—That each member of the American Bankers' Association be requested to honor these orders at par.

Fourth.—That each order issued is to be guaranteed absolutely by one of our strongest and best guarantee companies.

Fifth.—That if any order should not be paid for any reason by its correspondent, the said guarantee company will redeem them at once.

Sixth.—That there shall be a uniform rate for the issuing of said orders.

The members of the bank money order committee were unanimously of the opinion that the problem of issuing bank money orders has been solved at last, and that if their plan is adopted by the executive council at its meeting next April, a magnificent money order system will be in operation at once.

The bank money order committee is composed of the following-named gentlemen:

Lewis E. Pierson, Chairman, Vice-President New York National Exchange Bank, New York; Joseph Chapman, Jr., Cashier Northwestern National Bank, Minneapolis, Minnesota; L. P. Hillyer, Cashier American National Bank, Macon, Georgia; Percival Kuhne, Knauth, Nachod & Kuhne, Bankers, New York; M. N. Willits, Jr., Assistant Cashier Corn Exchange National Bank, Philadelphia.

NEW ENGLAND STATES.

New Haven, Ct.—Robert Foote, recently resigned as Cashier of the National Tradesmen's Bank, after a continuous service of twenty-seven years in that capacity. His resignation was accepted with regret by the directors of the bank. Mr. Foote expects to leave for California shortly, to remain for some time.

Springfield, Mass.—Edmund D. Chapin, President of the John Hancock National Bank, celebrated his ninetieth birthday December 9, receiving the congratulations of many local and other friends. Mr. Chapin has been with the bank over fifty-three years as Cashier or President, and is still in active daily service.

MIDDLE STATES.

Baltimore, Md.—On November 19 negotiations were concluded for the merger of the Manufacturers' National Bank with the First National Bank. It is understood that the First National paid $610,000 for the Manufacturers' National, or at the rate of $122 a share—the capital of the latter institution being $500,000.

The business of the two banks will be merged shortly, and the interests heretofore directing the Manufacturers' National will co-operate fully with the First National Bank.

In addition to the capital stock of $500,000, the Manufacturers' National had $105,818 surplus and undivided profits, and its deposits at the close of business on November 11 amounted to $1,108,861. The bank was organized in 1882 by William T. Dickey and Charles W. Dorsey. Mr. Dickey was President up to the time of his death in 1896, when he was succeeded by Mr. Dorsey. Harry M. Mason is Cashier.

Several years ago interests in the Equitable National Bank acquired control of the First National Bank, and as a result of the deal the capital of the First National was increased and the business of the Equitable absorbed by it. Then James T. Woodward, President of the Hanover National Bank, of New York; James H. Eckels, ex-Comptroller of the Currency and now President of the Commercial National Bank, Chicago; Charles R. Spence and A. H. S. Post, second and third Vice-Presidents of the Mercantile Trust and Deposit Co., became directors of the First National.

The statement of the First National made at the close of business September 9 showed total resources of $6,427,621.27; capital stock paid in, $1,000,000; surplus and undivided profits, $402,703.40, and individual deposits aggregating $2,263,771.99.

The present officers and directors of the bank are: President, J. D. Ferguson; Vice-President, Theodore Hooper; Cashier, H. B. Wilcox; Assistant Cashier, Wm. S. Hammond. Directors: J. D. Ferguson, Blanchard Randall, Joseph R. Foard, Wm. C. Rouse, Louis Muller, John W. Hall, Theodore Hooper, James T. Woodward, James H. Eckels, Geo. A. Blake, Jas. A. Smyser, Joseph Friedenwald, Alexander T. Leftwich, N. W. James, Hugh Sisson, Jr., A. H. S. Post, Chas. R. Spence.

—On December 11 Charles E. Rieman was elected President of the Commercial and Farmers' National Bank, succeeding Lawrence B. Kemp, resigned. It is stated that the bank has experienced a considerable loss on its loans, which will not only wipe out the surplus and profits but will necessitate an assessment of the shareholders to make good the impaired capital.

—The Union Trust Co., which was placed in charge of a Receiver October 19, resumed business December 23.

Buffalo, N. Y.—At a meeting of the board of directors of the People's Bank, December 16, Edward J. Newell, Assistant Cashier, was appointed Cashier to fill the vacancy caused by the death of C. W. Hammond.

Pittsburg.—The Federal National Bank, which was placed in the hands of a Receiver October 21, resumed business December 14. Col. Hugh Young, for twenty-five years National bank examiner here, becomes President of the bank; Harry M. Landis, who was formerly Cashier of the Tradesmens' National and the Columbia National and who is now Assist-

ant Cashier of the Farmers Deposit National Bank, becomes Cashier of the Federal National; John W. Haines remains as Assistant Cashier.

—It is announced that the Prudential Trust Co. has been purchased by the Beneficial Trust Co. and that the two institutions will be consolidated.

—An investigation made by the "Pittsburg Banker" shows that the banks of Allegheny county furnish about $21,655,206 monthly for pay-roll requirements—or $250,000,000 a year. This is exclusive of salaries paid by check.

SOUTHERN STATES.

New Orleans.—John J. Gannon, formerly of Houston, Texas, has been elected President of the Hibernia Bank and Trust Co., succeeding J. W. Castles, who resigned to become Vice-President of the Guaranty Trust Co., of New York.

Dallas, Texas.—The Texas National Bank, recently organized here with a capital of $250,000, will begin business under the most favorable circumstances. Its list of shareholders is the largest of any bank in Dallas, and its directors include some of the wealthiest and most successful business men in the city. J. W. Blake, the Vice-President and Cashier, has long been identified with banking in Texas, and was formerly President of the Texas Bankers' Association. He is also interested in several large and successful business enterprises, and has a wide acquaintance throughout the State.

The correspondents of the Texas National are: New York, National Bank of Commerce and Consolidated National; Chicago, First National; St. Louis, Third National and Mechanics' National.

—The City National Bank recently took possession of its new building, which is described as one of the handsomest and most substantial in the State. All the equipment combines every requirement of beauty, safety and convenience. As further indicating the prosperity of the bank, its capital is $200,000; surplus, $230,000 and deposits $2,838,000.

WESTERN STATES.

Indianapolis, Ind.—At the regular annual meeting of the shareholders of the Capital National Bank, Medford B. Wilson will retire as President of the bank and will be succeeded by Wm. F. Churchman, who has been Cashier for about ten years. Mr. Wilson has sold to Mr. Churchman nearly $100,000 of his stock, the price paid being $150 per share. H. W. Moore, who has been Cashier of the First National Bank, of Lafayette, Ind., since the reorganization of that bank in 1882, will succeed Mr. Churchman as Cashier of the Capital National Bank. It is also announced that the dividend rate of the Capital National will be increased from five per cent. to six per cent. annually. As the surplus is now over $150,000, or more than half the capital, this advance in the dividend rate is fully warranted.

St. Louis.—The Hamilton Trust Co., which was organized about a year ago with a capital of $500,000, has been absorbed by the Commonwealth Trust Co. Edward Hidden, formerly President of the Hamilton Trust Co., and A. N. Edwards, Vice-President, have been elected Vice-Presidents of the Commonwealth Trust Co.

Chicago.—The First National Bank recently moved into its new building. An illustration of the new structure was presented in the MAGAZINE several months ago.

Cleveland, Ohio.—An agreement has been reached for the consolidation of the Prudential Trust Co. and the Caxton Savings and Banking Co., the merger to date from January 12. The capital of the succeeding bank will be $600,000 and the surplus $150,000. Both a commercial banking and Savings business will be transacted. A name for the consolidated institution had not been decided on at the time of the announcement of the merger.

—The Cleveland Trust Company has bought outright the good-will and business of the Central Trust Company of this city. The capital of the Central Trust Company is $1,000,000. The terms of the sale are private.

—The Union National Bank, of which Senator Hanna is President, it is reported, will unite with the Colonial National Bank. The merger will make the united institution one of the strongest National banks in the Middle West.

Des Moines, Iowa.—The Des Moines Savings Bank, which is the oldest bank here, will increase its capital from $400,000 to $500,000. This will enable the bank under the law to make a loan of as much as $50,000 to one customer, and will thus aid in extending the bank's business among corporations, firms and individuals doing an extensive business.

Dayton, Ohio.—Frederick A. Funkhouser was recently appointed Cashier of the Winters National Bank, to succeed J. C. Reber, resigned. Mr. Funkhouser's promotion was due to meritorious service. He entered the bank ten years ago as a messenger and has worked his way up to his present position.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

APPLICATIONS TO ORGANIZE NATIONAL BANKS APPROVED.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice:

First National Bank, Blackfoot, Idaho; by E. M. Kennedy, et al.

First National Bank, Munday, Texas; by R. V. Colbert, et al.

Markham National Bank, Markham, Texas; by A. A. Moore, et al.

Citizens' National Bank, Olean, N. Y.; by M. E. Loveland, et al.

First National Bank, Liberal, Mo.; by J. T. Long, et al.

Exchange National Bank, Coeur d'Alene, Idaho; by H. P. Peterson, et al.

Whitehall National Bank, Whitehall, Ill.; by O. F. Griswold, et al.

First National Bank, Rush Springs, Ind. Ter.; by Wm. T. Hopper, et al.

First National Bank, Fairview, Okla.; by Arthur Hess, et al.

First National Bank, Santa Anna, Texas; by M. Tyson, et al.

Colfax National Bank, Colfax, Wash.; by Alfred Coolidge, et al.

Home National Bank, Llano, Texas; by W. J. Moore, et al.

First National Bank, Whitehall, Ill.; by H. C. Morrow, et al.

First National Bank, Thomas, Okla.; by G. J. E. Moser, et al.

First National Bank, Rexburg, Idaho; by Ross J. Comstock, et al.

First National Bank, Claude, Texas; by T. S. Cavins, et al.

First National Bank, Oxford, Ala.; by D. C. Cooper, et al.

Farmers' National Bank, Strawn, Ill.; by W. R. Hamilton, Jr., et al.

German-American National Bank, Mason, Texas; by J. W. White, et al.

Selma National Bank, Selma, Ala.; by J. W. Castles, et al.

People's National Bank, Long Prairie, Minn.; by M. C. Tifft, et al.

Citizens' National Bank, Daingerfield, Texas; by T. H. Leeves, et al.

Farmers' National Bank, Lexington, Okla.; by S. C. Hawk, et al.

First National Bank, Gate City, Va.: by I. P. Kane, et al.

Union National Bank, Elgin, Ill.; by Alexander L. Metzel, et al.

Farmers' National Bank, Pleasant Hill, Mo.; by R. L. Walker, et al.

First National Bank, Humboldt, Ill.; by E. M. Mulliken, et al.

First National Bank, Bellville, Ohio; by Frank Culp, et al.

APPLICATION FOR CONVERSION TO NATIONAL BANKS APPROVED.

Elk Valley Bank, Sutton, West Va.; into Citizens' National Bank.

First State Bank, Le Sueur, Minn.; into First National Bank.

State Bank, Brinsmade, N. D.; into First National Bank.

NATIONAL BANKS ORGANIZED.

7049—Henry National Bank, Henry, Illinois. Capital, $30,000; Pres., Julius Watercott; Cas., L. R. Phillips.

7050—First National Bank, Hartshorne, Indian Territory. Capital, $25,000; Pres., J. D. Chastain: Vice-Pres., J. P. Grady; Cas., C. R. Birnbaum.

7051—Citizens' National Bank, Lansford, Penn. Capital, $50,000; Pres., Thomas J. Nusbaum.

7052—Texas National Bank, Dallas, Texas. Capital, $250,000; Pres., W. C. Padgitt; Vice-Pres., D. E. Grove; Vice-Pres. and Cas., J. W. Blake; Asst. Cas., B. C. Barrier and A. C. Wilson.

7053—Citizens' National Bank, Calvin, Ind. Ter. (successor to Farmers and Merchants' Bank). Capital, $25,000; Pres., C. C. Atwood; Cas., A. P. Selsor.

7054—First National Bank, Stonewall, Ind. Ter. Capital, $25,000; Pres., Tom Hope; Vice-Pres., R. E. Chambers; Cas., W. E. Mooney.

7055—Citizens' National Bank, Blooming Grove, Texas. Capital, $25,000; Pres., M. G. Young; Vice-Pres., B. F. Hartzell; Cas., R. S. Loyd.

7056—Atglen National Bank, Atglen, Penn. Capital, $40,000; Pres., T. J. Phillips; Vice-Pres., Wm. S. Hastings; Cas., Horace L. Skiles.

7057—First National Bank, San Pedro, Cal. Capital, $25,000; Pres., A. P. Culley.

7058—First National Bank, Monterey, Cal. Capital, $50,000; Cas., A. G. Metz.

7059—First National Bank, Condon, Oregon. Capital, $25,000; Pres., J. Frank Watson: Vice-Pres., E. Dunn; Cas., N. Farnsworth.

7060—Randolph National Bank, Elkins, West Va. Capital, $25,000; Pres., W. H. Cobb; Vice-Pres., M. W. King; Cas., W. H. Keim,

7061—First National Bank, Fontanelle, Iowa. Capital, $25,000; Pres., J. S. Hulbert; Vice-Pres., J. H. Hulbert; Cas., W. F. Johnston; Asst. Cas., E. W. Adams and R. R. Tuttle.

7062—Bank of Mobile National Banking Association, Mobile, Ala. Capital, $100,000; Pres., M. J. McDermott; Cas., T. J. O'Connor.

7063—First National Bank, Visalia, Cal. Capital, $100,000; Pres., W. F. Thomas; Vice-Pres., Adolph Levis; Cas., S. Mitchell.

7064—First National Bank, North East, Md. Capital, $25,000: Pres., L. L. Dirickson, Jr.; Vice-Pres., A. Anderson, Cas., R. L. Morgan.

7065—National Bank of Humboldt, Humboldt, Neb. Capital, $30,000; Pres., J. H. Morehead; Vice-Pres., M. W. Harding; Cas., John Holman; Asst. Cas., C. L. Hummel.

7066—First National Bank, Marceline Mo. Capital, $25,000; Pres., W. G. Lancaster; Cas., Geo. W. Early; Asst. Cas., H. B. Early.

7067—First National Bank; Sparta, Ga. Capital, $50,000; Pres., John D. Walker.

7068—People's National Bank, Barre, Vt. Capital, $100,000: Pres., Chas. W. Melcher.

7069—First National Bank, Palo Alto, Cal. Capital, $30,000; Pres., C. E. Childs; Vice-Pres., Frank E. Booth; Cas., A. W. Hyde.

NEW BANKS, BANKERS, ETC.

ARKANSAS.

CAMDEN—Merchants and Planters' Bank; capital, $50,000; Pres., T. J. Watts; Vice-Pres., J. M. Flenniken and Ed. Harper; Cas., B. C. Powell.

HAMPTON—Hampton Bank; capital, $15,000; Pres., W. C. Dunn; Vice-Pres., H. B. Dunn; Cas., D. W. Bass.

CALIFORNIA.

OAKLAND—Security Bank and Trust Co.; capital, $100,000; Pres. H. C. Capwell; Vice-Pres., A. D. Wilson; Cas., Chas. A. Smith; Asst. Cas., R. S. Knight.

PACIFIC GROVE—Bank of Pacific Grove; capital, $50,000; Pres., O. S. Trimmer; Vice-Pres., C. D. Henry; Cas., Geo. W. Eckhardt; Asst. Cas., B. A. Eardley.

SAN DIMAS—Bank of San Dimas; capital, $12,500; Pres., W. A. Johnstone; Vice-Pres., D. C. Teague; Cas., John P. Roberts.

COLORADO.

COLORADO SPRINGS—Colorado Savings Bank; capital, $50,000; Pres., E. J. Eaton; Vice-Pres., Newton S. Gandy; Cas., F. P. Evans.

CRAIG—Amsterdam Banking Co.; Pres., A. M. Merrill; Vice-Pres., C. A. Van Dorn; Cas., J. M. Van Dorn.

DENVER—Denver Stock Yards Bank (successor to Union Stock Yards Bank); capital, $40,000; Pres., Gordon Jones; Vice-Pres., W. F. Farren; Cas., Colin S. Campbell.

HUGO—Lincoln County Bank; capital, $10,000; Pres., Gordon Jones; Vice-Pres., John P. Dickinson; Cas., E. I. Thompson; Asst. Cas., A. K. La Due.

CONNECTICUT.

MIDDLETOWN—City Savings Bank; Pres., Frederick Babcock; Vice-Pres., Charles E. Bacon; Treas., Walter C. Jones.

FLORIDA.

MARIANNA—Citizens' State Bank; capital, $30,000: Pres., J. D. Smith; Vice-Pres., R. A. Willis; Cas., E. B. Erwin.

GEORGIA.

JOHNSTON STATION—Liberty Banking Co.; capital, $15,000; Pres., L. Carter; Vice-Pres., N. McQueen; Cas., J. R. Rines.

LITHONIA—Lithonia Banking Co.; capital, $15,000; Pres., J. C. Johnson; Vice-Pres., G. W. Johnson; Cas., A. B. Coffey.

NORCROSS—Bank of Norcross; capital, $15,000; Pres., S. T. McElroy; Vice-Pres., A. A. Johnson; Cas., C. A. McDaniel.

ROME—Citizens' Bank; capital, $35,000; Pres., Sproull Fouche; Cas., Hugh T. Reynolds.

TOOMSBORO — Wilkinson County Bank (branch of Tennille Banking Co.)

ILLINOIS.

CABERY—Farmers' State Bank (successor to Farmers' Bank); capital, $25,000; Pres., James Ogilvie; Vice-Pres., Henry Raab; Cas., R. C. Breneisa.

CHICAGO—Jackson Trust and Savings Bank; capital, $250,000; Pres., Wm. H. Eagan; Vice-Pres., Raymond F. Stevens and Louis M. Stumer; Cas., Charles T. Champion.—Brown-Ellinwood Co.

COLFAX—Colfax Bank; Cas., J. S. Barnes.—People's Trust and Savings Bank; capital, $25,000; Pres., J. B. Johannsen; Vice-Pres., H. E. Johannsen; Cas., P. E. Johannsen.

HILLSDALE—Farmers and Merchants' Bank: capital, $12,000; Pres., Edwin L. Hanson.

LAKE FOREST—State Bank; capital, $25,000; Pres., George Findlay; Vice-Pres., Samuel Blackler; Cas., Elton G. Rice.

LINCOLN—Lincoln State Bank; capital, $50,000; Pres., G. I. Harry; Vice-Pres., August Berger; Cas., Paul S. Fuson; Asst. Cas., James E. Hoblit.

LONG POINT—Bank of Long Point; capital, $10,000; Pres., W. O. Moore; Cas., B. F. Colehower; Asst. Cas., A. I. Graves.

MATTESON—German-American State Bank; capital, $25,000; Pres., H. C. H. Stege: Vice-Pres., August Hecht; Cashier, Henry Schulze.

MOMENCE—Momence State and Savings Bank (successor to Exchange Bank); capital, $25,000; Pres., H. B. Hall; Vice-Pres., Geo. S. Chatfield; Cas., D. E. Styles; Asst. Cas., L. Hopper.

INDIANA.

ARLINGTON—Arlington Bank; capital, $25,000.

LA CROSSE—Bank of La Crosse; Pres., W. T. Van Buskirk; Cas., G. L. Van Buskirk.

NEWMARKET—Farmers' State Bank; capital, $25,000; Pres., J. H. Armanstreet; Vice-Pres., W. W. Busenbank; Cas., W. R. Childers.

NEW PARIS—Fisher Bros.

SANDBORN—Sandborn Banking Co.; capital, $11,650; Pres., L. W. Bailey; Vice-Pres., Geo. R. Alsop; Cas., Ira J. Corbin.

SOUTH BEND—American Trust Co.; capital, $200,000; Pres., Charles Arthur Carlisle; Vice-Pres., Sam Leeper; Sec., J. E. Neff; Treas., E. H. Miller.

SULLIVAN—Citizens' Trust Co.; capital, $50,000; Pres., John C. Chaney; Vice-Pres., W. H. Crowder; Sec. and Treas., J. M. Lang.

IOWA.

BONAPARTE—Iowa State Bank; capital, $25,000; Pres., H. H. Meek; Vice-Pres. B. F. Meek; Cas., Kirk Meek; Asst. Cas., G. A. Booth.

CONWAY—Farmers' Bank; Pres., J. R. Cooper.

LANESBORO—Lanesboro Savings Bank; capital, $20,000; Pres., Edward Cain; Vice-Pres., Abram Cain; Cas., A. O. Wick.

MAQUOKETA—Jackson Savings Bank; capital, $10,000; Pres., Wm. Stephens; Vice-Pres., C. A. Leach; Cas., Ralph E. Stephens; Asst. Cas., O. C. Kucheman.

MOUNT AYR—Farmers' Bank; capital, $25,000; Pres., L. W. Laughlin.

KANSAS.

DOWNS—Union State Bank; capital, $10,000; Pres., Al. Dougherty; Vice-Pres., John Schoen; Cas., David B. Smyth.

PITTSBURG—First State Bank; capital, $25,000; Pres., James Patmor; Vice-Pres., E. B. Hoyt; Cas., Jay N. Patmor.

UTICA—Citizens' State Bank; capital, $12,000; Pres., Tillman Peters; Vice-Pres., J. C. Hopper; Cas., W. E. Traylor; Asst. Cas., A. H. Foulks.

KENTUCKY.

CROFTON—Crofton Bank; Pres., A. B. Croft; Vice-Pres., O. A. West; Cas., G. W. Morgan.

JEFFERSONTOWN—Jefferson County Bank; capital, $7,500; Pres., H. N. Reubelt; Vice-Pres., Jno. J. McHenry; Cas., D. P. Van Arsdall.

LOUISIANA.

MANSURA—Mansura Bank; capital, $15,000; Pres., Emil Regard; Vice-Pres., Ed. A. Drouin; Cas., Henry W. McGoldrick.

MELVILLE—Bank of Melville; capital, $12,500; Pres., E. J. Lyons; Vice-Pres., H. S. Joseph; Cas., D. E. Dunlap.

TANGIPAHOA—Tangipahoa Bank; (branch of Amite Bank and Trust Co.); capital, $100,000; Pres. D. H. Sanders; Vice-Pres., F. C. Welsh; Cas., Thomas McMichael.

MAINE.

JONESPORT—Jonesport Branch Pittsfield Trust Co.

MARYLAND.

MILLINGTON—Millington Bank; Cas., J. P. Ahern; Asst. Cas., Joseph Mallalier.

MOUNT AIRY—Mount Airy Bank (Branch of Farmers Trust, Banking and Deposit Co., Baltimore).

MASSACHUSETTS.

WORCESTER—Miller, Morgan & Co.; Cas., N. E. Boutilier.

MICHIGAN.

ASHLEY—Ashley Banking Co.; capital, $5,000; Pres., Geo. H. Lewis; Vice-Pres., James Austey; Cas., L. Chambers; Asst. Cas., Gertrude A. Lewis.

LANSING—Gillam & Son.

MINNESOTA.

BROWNSDALE—Bank of Brownsdale; capital, $5,000; Pres., W. E. Woodward; Vice-Pres., N. K. Dahle.

DEER RIVER—First State Bank; capital, $10,000; Pres., E. G. Hicks; Vice-Pres., F. B. Pease; Cas., T. J. Carroll.

DELAVAN—Security State Bank; capital, $10,000; Pres., C. L. Olson; Vice-Pres., D. A. Odell; Cas., E. B. Adamson; Asst. Cas., Jno. A. McGuiggan.

JOHNSON—Bank of Johnson; Pres., John McRae; Vice-Pres., J. A. McRae; Cas., H. L. Day.

JORDAN—People's State Bank; capital, $15,000; Pres., Theo. Weiland; Vice-Pres., Geo. C. Schmidt; Cas., F. H. Juergen.

MISSOURI.

VALLEYPARK—Valleypark Trust Co.; capital, $50,000; Pres., Wm. J. Vance; Vice-Pres., Robert Naysmith; Sec. and Treas., Raymond J. Walters.

NEBRASKA.

NORFOLK—Norfolk Loan and Trust Co.; capital, $25,000; Pres., T. E. Odiorne; Vice-Pres., F. A. Odiorne.

NEW YORK.

CORNWALL-ON-HUDSON—A. C. Wilcox & Co.; capital, $20,000.

NORTH CAROLINA.

COLUMBIA—Merchants and Farmers' Bank; capital, $10,000; Pres., J. C. Meekins; Cas., D. O. Newberry.

MORVEN—Bank of Morven; capital, $10,000; Pres., T. V. Hardisch; Vice-Pres., G. A. Martin; Cas., M. L. Ham.

SNOW HILL—Snow Hill Banking and Trust Co.; capital, $10,000; Pres., G. A. Norwood, Jr.; Vice-Pres., J. Ervin; Cas., James F. Sugg.

NORTH DAKOTA.

GLENBURN—Lincoln State Bank; capital, $10,000; Pres., O. W. Healy; Vice-Pres., Effie C. Healy; Cas., Ed. S. Healy.

RAY—Linwell's State Bank; capital, $9,000; Pres., M. V. Linwell; Vice-Pres., A. Linwell; Cas., E. L. Gunderson.

OHIO.

APPLECREEK—Applecreek Banking Co.; capital, $12,500; Pres., J. R. Jameson; Vice-Pres., L. C. Klein.

VAN WERT—People's Savings Bank Co.: capital, $50,000; Pres., W. T. Hughes; Vice-Pres., W. H. Pennell; Cas., F. W. Leslie.

OKLAHOMA.

COLONY—Colony State Bank; capital, $10,000; Pres., C. E. Davis; Vice-Pres., W. Montgomery; Cas., J. S. Edwards; Asst. Cas., J. C. Fry.

HYDRO—Bank of Hydro; capital, $10,000; Pres., G. W. Snapp; Vice-Pres., H. K. Schafer; Cas., W. H. Henke.

PAWNEE—Planters' Bank; capital, $25,000; Pres., C. E. Vandervoort; Vice-Pres., O. M. Lancaster; Cas., Frank Hudson; Asst. Cas., W. A. Jacobs.

PENNSYLVANIA.

GETTYSBURG—Citizens' Trust Co.: capital, $125,000; Pres., Geo. W. Schwartz; Vice-Pres., W. T. Zeigler; Cas., R. W. Bream; Asst. Cas., E. P. Sachs.

PITTSBURG—International Savings and Trust Co.; capital, $216,997; Pres., J. H. White; Vice-Pres., Francis J. Torrence; Sec. and Treas., T. A. Dye; Asst. Treas., Joseph T. Homer.

SOUTH CAROLINA.

HODGES—Bank of Hodges; Pres., B. F. Madden; Vice-Pres., E. S. Trusley; Cas., B. S. Hodges.

SOUTH DAKOTA.

DEADWOOD—Black Hills Trust and Savings Bank; capital, $50,000; Pres., M. J. Gallup; Vice-Pres., R. S. Jamison; Cas., F. M. Brooder.

JAVA—First State Bank; capital, $5,000; Pres., E. G. Hicks; Vice-Pres., F. B. Pease; Cas., John E. Carroll; Asst. Cas., W. L. McCafferty.

STRANDBURG—First State Bank; capital, $5,000; Pres., L. H. Bentley; Vice-Pres., M. I. Bentley; Cas., Karl P. Theimer.

TENNESSEE.

AUBURN—Bank of Auburn; capital, $8,000; Pres., A. E. Potter; Vice-Pres., B. R. McKnight; Cas., W. R. Robinson; Asst. Cas., J. B. Adams.

CENTREVILLE—Hickman County Bank; capital, $30,000; Pres., A. H. Grigsby; Vice-Pres., J. W. Shoofner; Cas., D. W. Cooper.

DIXON SPRINGS—Dixon Springs Bank; capital, $12,000; Pres., S. C. Bridgewater; Vice-Pres., J. D. Allen; Cas., Gayle Ford.

TEXAS.

SARATOGA—G. W. Armstrong & Co.; Cas., G. L. Cash.

WASHINGTON.

AUBURN—Christopher, Knickerbocker & Harvard; capital, $6,000; Cas., H. H. Howard.

DAYTON—Security Bank; capital, $50,000; Pres., B. R. Lewis; Vice-Pres., Jno. J. Skuse; Cas., F. L. Wells.

SNOHOMISH—Commercial Bank; capital, $25,000; Pres., Chas. S. Wiley; Vice-Pres. and Manager, J. V. Bowen; Cas., B. Ransom.

WEST VIRGINIA.

PADEN CITY—Paden City Bank; capital, $50,000; Pres., H. W. McCoy; Vice-Pres., Robt. Miller; Cas., J. R. Elliott.

CANADA.

DORCHESTER—Bank of Toronto; James C. McDonald, Manager.

KINCARDINE—Traders' Bank of Canada; A. R. Heiter, Manager.

ST. THOMAS—Dominion Bank; W. K. Pearce, Manager.

WEST LORNE—Merchants' Bank of Canada; A. C. Paterson, Manager.

NORTHWEST TERRITORY.

BROADVIEW—Morrison & Co.; capital, $6,000.

CHANGES IN OFFICERS, CAPITAL ETC.

ALABAMA.

BIRMINGHAM—Traders' National Bank; O. E. Smith, Vice-Pres; C. H. Seals, Asst. and Acting Cas.

ARIZONA.

NOGALES—Sandoval National Bank; title changed to First National Bank.

ARKANSAS.

EL DORADO—National Bank of El Dorado; title changed to First National Bank.

GREENWOOD—First National Bank; W. J. Pitman, Vice-Pres. in place of S. F. Lawrence; W. B. W. Heartsill, Cas. in place of J. F. Lawrence.

CALIFORNIA.

SAN JOSE—First National Bank; George M. Bowman, Pres., deceased.

COLORADO.

EATON—Bank of Eaton; F. N. Thomas sold interest to T. K. Wilson.

CONNECTICUT.

CROMWELL—Dime Savings Bank; George S. Wilcox, Pres., deceased.

MERIDEN—Meriden Savings Bank; John L. Billard, Pres. in place of Levi E. Coe, deceased.

NEW HAVEN—National Tradesmen's Bank; Robert Foote, Cas., resigned.——Yale National Bank; A. C. Bushnell, Cas., deceased.

FLORIDA.

BARTOW—Polk County National Bank; Warren Tyler, Cas., deceased.

LAKELAND—State Bank; Warren Tyler, Pres., deceased.

GEORGIA.

ALBANY—First National Bank; Morris Wesiosky, Pres. in place of John A. Davis.

CHIPLEY—Bank of Chipley; T. T. Murray, Pres. in place of W. S. Witham.

ILLINOIS.

CHICAGO—Calumet National Bank of South Chicago; title changed to Calumet National Bank of Chicago.——Chicago City Bank; Chas. S. Brown, Cas. in place of Wm. J. Rathje, resigned.

EDWARDSVILLE—Bank of Edwardsville; capital increased from $50,000 to $100,000.

MASON CITY—Farmers' State Bank; capital increased to $75,000.

MATTOON—Mattoon National Bank; Thos. W. Gaw, Vice-Pres.; E. T. Guthrie, Cas. in place of Thos. W. Gaw.

INDIANA.

BOSWELL—First National Bank; Oakley Bright, Asst. Cas. in place of Samuel G. Van Natta.

INDIANAPOLIS—Capital National Bank; Wm. F. Churchman, Pres. in place of M. B. Wilson: H. W. Moore, Cas. in place of Wm. F. Churchman.

LAFAYETTE—Lafayette Savings Bank; Richard B. Sample, Pres.

LOGANSPORT—City National Bank; A. P. Jenks, Cas. in place of F. R. Fowler.

RENSSELAER—First National Bank; John M. Wasson, Vice-Pres.

INDIAN TERRITORY.

OKMULGEE—Citizens' National Bank; D. M. Smith, Pres. in place of J. S. Todd; L. de Steigmer, Vice-Pres.

IOWA.

ALBIA—First National Bank; Caroline B. Drake, Pres. in place of F. M. Drake: L. T. Richmond, Vice-Pres. in place of C. B. Drake.

BAXTER—State Savings Bank; Geo. D. Wood, Pres., deceased.

CENTERVILLE—Centerville National Bank; J. L. Sawyers, Pres. in place of F. M. Drake, deceased.

COLFAX—Bank of Colfax, Geo. D. Wood, Cas., decased.

DES MOINES—Marquardt Savings Bank; A. N. Odenheimer, Vice-Pres. in place of D. F. Witter.——Des Moines Savings Bank; capital increased to $500,000.

IRA—Bank of Ira; George D. Wood, Pres., deceased.

MCCALLSBURG—McCallsburg State Bank; B. M. Rassmussen, Pres., resigned.

MITCHELLVILLE—City Bank; Geo. D. Wood, Pres., deceased.

STATE CENTER—Bank of State Center; Geo. D. Wood, Pres., resigned.

WATERLOO—Black Hawk National Bank; H. S. Abbott, Cas., resigned.

WINTERSET—First National Bank; Frederick Mott, Pres., in place of C. D. Bevington.

KANSAS.

FORT SCOTT—Bank of Fort Scott; Charles F. Drake, Pres., deceased.

KENTUCKY.

LOUISVILLE—German Insurance Bank; Edmund Rapp, Asst. Cas.

LOUISIANA.

NEW ORLEANS—Germania Savings Bank and Trust Co.; Jacob Hassinger, Pres., deceased. ——Hibernia Bank and Trust Co.; John J. Gannon, Pres. in place of John W. Castles, resigned.

MAINE.

BIDDEFORD—First National Bank; Chas. A. Moody, Pres. in place of E. H. Banks; J. E. Etchells, Cas. in place of Chas. A. Moody.

HOULTON—Farmers' National Bank; Percy L. Rideout, Cas. in place of Geo. A. Gorham, deceased.

MARYLAND.

BALTIMORE—Commercial and Farmers' National Bank; Charles E. Reiman, Pres. in place of Lawrence B. Kemp.——Union Trust Co.; resumed business.

HAGERSTOWN—Eavey, Lane & Co.; Henry S. Eavey, deceased.

MASSACHUSETTS.

CHICOPEE—First National Bank; T. C. Page, Vice-Pres.

FALL RIVER—Fall River Five Cents Savings Bank; James Marshall, Vice-Pres. in place of Simeon B. Chase, resigned.

MELROSE—Melrose National Bank; John P. Deering, Vice-Pres. in place of Seth E. Benson, deceased.

PITTSFIELD—Agricultural National Bank; Wm. Robinson Plunkett, Pres., deceased.

MINNESOTA.

EVELETH—Miners' National Bank; R. H. Pearce, Cas. in place of W. L. McLannan.

MISSISSIPPI.

LAUREL—Laurel National Bank; John Kamper, Vice-Pres.: E. L. Carter, Cas. in place of C. M. McDonald.

MISSOURI.

MEMPHIS—Farmers' Exchange Bank; capital increased to $40,000.

NEW CAMBRIA—New Cambria State Bank; A. H. Corey, Cas., resigned.

ST. LOUIS—Hamilton Trust Co.; absorbed by Commonwealth Trust Co.

TRENTON—Trenton National Bank; R. G. Green, Cas. in place of R. M. Cook.

NEBRASKA.

PAWNEE CITY—National Bank of Pawnee City; W. B. Bull, Pres., in place of A. B. Edee; John M. Osborn, Vice-Pres. in place of C. H. Edee; H. H. Bull, Cas. in place of J. C. Halderman; no Asst. Cas. in place of H. K. Parli.

SARONVILLE—Farmers' State Bank; Adolph Aspegren, Pres.; John Benson, Vice-Pres.;

Erick Nelson, Second Vice-Pres.; Marie Klintberg, Asst. Cas.

NEW HAMPSHIRE.

BERLIN—Berlin National Bank; Albert H. Eastman, Pres., resigned.

CONCORD—National State Capital Bank; Alvin B. Cross, Asst. Cas., resigned.

GORHAM—Gorham National Bank; Albert H. Eastman, Vice-Pres., resigned.

NEW JERSEY.

TRENTON—Mechanics' National Bank; Wm. Stelle, Cas., resigned.

NEW YORK.

BROOKLYN—Dime Savings Bank; William P. Sturgis, Pres., in place of John Mollenhauer, resigned.——Wallabout Bank; Jos. B. Pigot, Cas., deceased.

BUFFALO—People's Bank; Edward J. Newell, Cas. in place of C. W. Hammond.

NEW YORK—Mechanics' National Bank: Granville W. Garth, Pres., deceased.——Mutual Alliance Trust Co.; Paul Schwartz, Pres. in place of Kalman Haas.——Guaranty Trust Co.; J. W. Castles, First Vice-Pres.——Mercantile Trust Co.; Ernest R. Adee, Sec., deceased.

OHIO.

BARBERTON—First National Bank; Fred'k Keifer, Pres. in place of Chas. Ammerman; H. C. Benner, Cas. in place of Frederick Keifer.

CLEVELAND—Prudential Trust Co. and Caxton Savings and Banking Co.; consolidated.

DAYTON—Winters National Bank; Frederick A. Funkhouser, Cas. in place of J. C. Reber, resigned.

GARRETTSVILLE—First National Bank: L. B. Cook, Asst. Cas. in place of H. A. Carlton.

JACKSON—First National Bank; E. T. Jones, Vice-Pres. in place of Moses Morgan; Moses Morgan, Cas. in place of T. J. Edwards; J. E. McGhee, Asst. Cas. in place of J. H. Niewvahner.

SPRINGFIELD—Mad River National Bank; W. S. Thomas, Pres. in place of Thomas F. McGrew, deceased; James Carson, Vice-Pres. in place of W. S. Thomas.

THORNVILLE—Thornville Banking Co.; John Yost, Pres.; M. G. Cahlson, Vice-Pres.; R. E. Alspach, Sec. and Treas.

OKLAHOMA.

CLINTON—Clinton National Bank; W. A. Tefft, Cas. in place of W. B. Duff.

JET—Citizens' Bank and Bank of Jet; consolidated.

PAWNEE—Arkansas Valley National Bank; C. P. Rock, Pres. in place of G. W. Sutton.

TEMPLE—First National Bank; Jess Baker, Vice-Pres. in place of C. W. McDonald.

PENNSYLVANIA.

ALLEGHENY—First National Bank; authorized to resume business December 7; Chas. E. Speer, Pres. in place of John Thompson; no Vice-Pres. in place of R. J. Stoney, Jr.: T. A. McNary, Acting Cas. in place of E. R. Kramer, Cas.

CLAYSVILLE—First National Bank; C. C. Cracraft, Vice-Pres. in place of J. B. Biggins.

CONNEAUT LAKE—First National Bank; E. W. McGill, Cas. in place of Lewis E. McKay.

INDIANA—Farmers' Bank; Robert Mitchell, Pres. in place of John N. Banks.

NEW BRIGHTON—Union National Bank; E. H. Seiple, Cas. resigned.

PITTSBURG—Federal National Bank; authorized to resume business December 14; Hugh Young, Pres. in place of J. A. Langfitt, resigned; Harry M. Landis, Cas.——Arsenal Bank; E. Z. Wainwright, Pres., deceased.——Prudential Trust Co.; consolidated with Beneficial Trust Co.——Land Title and Trust Co.; John B. Milliken, Pres., resigned.

SCRANTON—Lackawanna Trust and Safe Deposit Co.; Geo. Sanderson, Vice-Pres.; in place of John W. Fowler, resigned.

WAYNESBURG—American National Bank; Thomas Adamson, Pres., resigned; Thomas C. Bradley, Cas., resigned.

WEST GROVE—National Bank of West Grove; Robert L. Pyle, Pres. in place of Samuel K. Chambers, resigned.

SOUTH DAKOTA.

VOLGA—First National Bank; Edmund Hillestad, Pres. in place of Geo. Morehouse, deceased.

TENNESSEE.

PULASKI—National People's Bank; A. J. Ballentine, Vice-Pres., deceased; Thomas E. Daly, Cas. in place of N. A. Crockett; H. C. Wilson, Asst. Cas.

TEXAS.

BIG SPRINGS—West Texas National Bank; W. H. E. Eddleman, Pres. in place of J. M. Cunningham; A. T. Snoddy, Asst. Cas.

CAMERON—Citizens' National Bank; T. G. Sampson, Cas. in place of W. L. Baird; Oxsheer Smith and J. M. Sampson, Asst. Cas.

DALLAS—Trinity Valley Trust Co.; capital increased to $25,000.

FRISCO—First National Bank; Sam Furman, Pres. in place of Ed. Rogers.

GAINESVILLE—Red River National Bank; consolidated with First National Bank.

GONZALES Gonzales National Bank; W. B. Sayers, Cas. in place of J. W. Hoopes; no Second Vice-Pres. in place of W. B. Sayers.

NAVASOTA—Citizens' National Bank; Geo. S. Wood, Vice-Pres. in place of J. W. Rodes, deceased.

VENUS—First National Bank; Louis Shackelford, Cas. in place of C. C. Marshall, resigned.

WINNSBORO—Farmers' National Bank; J. O. Boyle, Cas. in place of L. D. Hess.

VIRGINIA.

NEWPORT NEWS—City Bank; J. E. B. Stuart, Cas. in place of Frederick Mooman, resigned.

WASHINGTON.

SEATTLE—Washington National Bank; A. Hilliard, Vice-Pres. in place of W. H. H. Green.

WEST VIRGINIA.

BELINGTON—Citizens' National Bank; A. J. S. Stalnaker, Asst. Cas. in place of Fred Evans, deceased.

CLARKSBURG—Traders' National Bank; S. H. White, Cas.

KINGWOOD—Kingwood National Bank; E. M. Lantz, Cas. in place of S. H. White.

RONCEVERTE—First National Bank; R. L Telford, Pres. in place of John W. Harris.

WEST UNION—First National Bank; James W. Smith, Cas. in place of L. R. Warren, resigned.

WISCONSIN.

MONROE—First National Bank; John Strahm, Cas. in place of C. W. Twining; C. L. Barlow, Asst. Cas. in place of John Strahm.

PORT WASHINGTON—Port Washington State Bank; capital increased to $50,000.

CANADA.

ONTARIO.

KINGSTON—Bank of British North America; J. Taylor, Manager in place of W. E. Philpotts, resigned.

MADOC—E. D. O'Flynn & Sons; sold to Dominion Bank.

HAMILTON—Merchants' Bank of Canada; A. B. Patterson, Manager.

CHESLEY—Merchants' Bank of Canada, H. A. Tolfield, Manager.

OWEN SOUND—Merchants' Bank of Canada; J. R. Little, Manager.

ST. THOMAS—Merchants' Bank of Canada; M. S. Hodder, Mgr. in place of A. B. Patterson.

BRITISH COLUMBIA.

REVELSTOKE—Molsons Bank; W. H. Brett, Manager, in place of E. E. Ward, resigned.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

CONNECTICUT.

DANIELSON—Windham County National Bank; in hands of Receiver December 22.

HARTFORD—J. G. Woodward.

INDIAN TERRITORY.

RAVIA—State Bank.

IOWA.

LINN GROVE—Farmers and Merchants' Bank.

ROYAL—Bank of Royal.

MARYLAND.

BALTIMORE—Manufacturers' National Bank; in voluntary liquidation December 21.

MASSACHUSETTS.

BOSTON—National Hamilton Bank; in voluntary liquidation November 30.

SPRINGFIELD—Hampden Trust Co.

NEW YORK.

NEW YORK—Wm. Clark & Sons.

NORTH CAROLINA.

PILOT MOUNTAIN—Pilot Bank and Trust Co.

OKLAHOMA.

HARRISON—First National Bank; in voluntary liquidation November 14.

PENNSYLVANIA.

PITTSBURG—Republic National Bank; in voluntary liquidation October 30.

TEXAS.

ROCKWALL—Rockwall National Bank; in voluntary liquidation November 2.

WEST VIRGINIA.

CAMERON—First Citizens' Bank.

WYOMING.

NEWCASTLE—Bank of Newcastle.

CANADA.

ONTARIO.

TOTTENHAM—G. P. Hughes.

NEW BRUNSWICK.

ST. JOHN—Blair & Co.

NEW VICE-PRESIDENT OF THE GUARANTY TRUST CO., NEW YORK.

Walter G. Oakman, President of the Guaranty Trust Co., of New York city, recently announced that he would not be a candidate for re election in April next, and in the meantime asked that the directors appoint a first Vice-President who should be active in the management of the company's affairs. Thereupon the board named for this position J. W. Castles, of New Orleans. Mr. Castles has accepted the place, and will enter upon his duties this month. At the April meeting of the board he will, it is expected, be elected President.

J. W. CASTLES,
First Vice-Pres. Guaranty Trust Co., N. Y.

Mr. Castles was for many years President of the Hibernia National Bank, of New Orleans, and when in 1902 this bank and the Southern Trust and Banking Co. were merged into the Hibernia Bank and Trust Co., he was elected President of the latter company. Under his management the Hibernia Bank and Trust Co. soon took rank as the largest bank in New Orleans, and one of the largest in the entire South. The company lately erected an imposing modern building, which will be occupied for banking and office purposes. The Guaranty Trust Company not only does a very large and important trust business in the city, but has established a branch at Manila which has been selected as a depository for insular funds. Mr. Castles, through his long experience, wide acquaintance and proved capacity as a bank and trust company officer, will be a valuable acquisition to the management of the company.

NATIONAL BANK RETURNS—RESERVE CITIES.

By the courtesy of the Comptroller of the Currency at Washington, the BANKERS' MAGAZINE has been favored with the complete returns of the National banks in all the reserve cities, at the date of the call on November 17, 1903. These are published below in conjunction with the preceding statement of September 9, 1903. In this form the figures become much more valuable by reason of the comparison. The complete returns of National banks in the reserve cities are published in the BANKERS' MAGAZINE exclusively.

NEW YORK CITY.

RESOURCES.	Sept. 9, 1903.	Nov. 17, 1903.
Loans and discounts	$631,565,824	$595,536,285
Overdrafts	508,110	320,346
U. S. bonds to secure circulation	46,959,000	46,964,000
U. S. bonds to secure U. S. deposits	46,618,000	46,491,000
U. S. bonds on hand	813,220	382,560
Premiums on U. S. bonds	2,469,091	3,498,526
Stocks, securities, etc	100,638,163	97,962,686
Banking house, furniture and fixtures	20,472,283	20,882,895
Other real estate and mortgages owned	3,131,851	3,250,935
Due from National banks (not reserve agents)	39,174,797	54,648,170
Due from State banks and bankers	17,927,397	16,131,458
Due from approved reserve agents	......	......
Checks and other cash items	3,857,915	4,849,107
Exchanges for clearing-house	85,727,788	108,976,438
Bills of other National banks	1,717,028	918,269
Fractional paper currency, nickels and cents	68,923	72,387
*Lawful money reserve in bank, viz.:		
Gold coin	4,792,139	4,697,172
Gold Treasury certificates	79,796,380	65,274,930
Gold clearing-house certificates	51,925,000	56,745,000
Silver dollars	68,883	67,131
Silver Treasury certificates	18,180,698	11,282,851
Silver fractional coin	713,634	712,193
Legal-tender notes	45,591,811	39,367,408
U. S. certificates of deposit for legal-tender notes	......	......
Five per cent. redemption fund with Treasurer	2,302,950	2,267,450
Due from U. S. Treasurer	1,339,432	1,045,899
Total	$1,207,855,824	$1,181,844,652

LIABILITIES.		
Capital stock paid in	$100,650,000	$105,650,000
Surplus fund	72,535,000	76,035,000
Undivided profits, less expenses and taxes paid	42,231,965	38,577,187
National bank notes issued, less amount on hand	44,214,952	46,407,577
State bank notes outstanding	16,542	16,542
Due to other National banks	230,591,168	235,167,012
Due to State banks and bankers	205,298,676	167,865,090
Dividends unpaid	62,688	111,266
Individual deposits	450,732,783	451,385,255
U. S. deposits	59,648,810	59,250,958
Deposits of U. S. disbursing officers	244,270	569,498
Notes and bills rediscounted	....	....
Bills payable	739,400	225,000
Liabilities other than those above stated	894,051	584,312
Total	$1,207,855,824	$1,181,844,652
Average reserve held	27.71 p. c.	26.79 p. c.
* Total lawful money reserve in bank	$203,068,546	$178,146,186

RESOURCES.	ALBANY, N. Y. Sept. 9, 1903.	ALBANY, N. Y. Nov. 17, 1903.	BALTIMORE, MD. Sept. 9, 1903.	BALTIMORE, MD. Nov. 17, 1903.	BOSTON, MASS. Sept. 9, 1903.	BOSTON, MASS. Nov. 17, 1903.	BROOKLYN, N. Y. Sept. 9, 1903.	BROOKLYN, N. Y. Nov. 17, 1903.
Loans and discounts	$14,290,784	$14,567,178	$47,222,814	$45,806,857	$156,869,606	$162,213,669	$11,418,478	$11,800,199
Overdrafts	3,418	5,063	8,280	49,123	293,878	53,696	5,878	50,575
U. S. bonds to secure circulation	750,000	960,000	3,790,000	3,840,000	7,017,700	7,217,700	592,000	592,000
U. S. bonds to secure U. S. deposits	489,100	489,100	2,534,900	2,534,900	6,807,250	7,308,250	200,000	200,000
U. S. bonds on hand	......	......	1,500	1,500	217,000	......	......	......
Premiums on U. S. bonds	22,574	25,074	170,277	170,027	283,522	295,975	4,000	3,950
Stocks, securities, etc	1,866,968	1,690,928	5,167,740	5,045,806	11,919,785	8,598,372	3,112,291	3,122,141
Banking house, furniture and fixtures	304,448	321,259	2,887,878	2,888,324	1,702,423	1,700,353	483,000	483,000
Other real estate and mortgages owned	239,538	245,547	220,246	239,876	49,125	49,125	64,582	64,981
Due from National banks (not reserve agents)	3,819,176	5,036,443	4,419,242	6,029,001	15,962,184	16,485,321	60,808	66,477
Due from State banks and bankers	1,477,875	1,284,888	924,577	1,119,167	1,687,095	2,829,217	213,608	212,838
Due from approved reserve agents	4,158,245	3,468,755	6,086,854	5,740,718	28,864,992	29,416,987	1,883,663	1,785,847
Checks and other cash items	62,309	47,584	226,455	247,111	420,368	476,870	77,809	96,601
Exchanges for clearing-house	92,706	108,632	1,715,812	2,120,156	10,878,204	13,451,862	1,276,062	1,566,585
Bills of other National banks	45,685	42,195	274,669	264,992	1,352,909	1,523,891	88,558	88,270
Fractional paper currency, nickels and cents	4,823	3,902	25,456	20,787	30,494	28,386	14,581	17,617
*Lawful money reserve in bank, viz.:								
Gold coin	337,016	275,168	528,224	558,139	1,420,027	1,612,235	306,869	348,523
Gold Treasury certificates	868,000	833,000	1,399,130	2,124,690	6,867,810	5,582,510	451,600	523,900
Gold clearing-house certificates	......	......	85,000	265,000	3,425,000	3,885,000	......	......
Silver dollars	23,627	26,372	53,107	60,444	29,400	29,666	11,690	12,709
Silver Treasury certificates	85,000	76,000	1,497,765	1,749,229	3,567,488	3,796,083	682,196	562,958
Silver fractional coin	25,119	26,786	74,517	78,259	201,278	229,917	66,519	76,165
Legal-tender notes	1,070,798	889,587	888,310	1,370,640	4,949,755	4,926,400	732,192	723,861
U.S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	37,500	47,500	189,500	189,500	341,687	360,785	29,600	29,600
Due from U. S. Treasurer	......	......	24,700	7,200	239,502	171,902	17,300	......
Total	$29,574,215	$29,960,966	$80,416,959	$82,520,948	$263,862,885	$271,244,179	$21,784,783	$22,427,251
LIABILITIES.								
Capital stock paid in	$1,250,000	$1,250,000	$12,403,260	$12,403,260	$32,300,000	$30,300,000	$1,352,000	$1,352,000
Surplus fund	1,390,000	1,390,000	6,523,600	6,523,600	14,536,400	14,244,000	1,950,000	1,950,000
Undiv. profits, less expenses and taxes paid	296,380	334,239	1,843,629	2,097,092	8,631,227	7,748,234	672,643	693,251
National bank notes issued, less am't on hand	714,800	869,550	3,753,050	3,772,700	7,001,515	7,130,597	588,750	589,100
State bank notes outstanding	......	......	493	493	......	......	1,846	1,846
Due to other National banks	11,715,802	12,606,950	12,258,821	13,464,177	37,766,665	38,449,037	240,235	193,919
Due to State banks and bankers	4,162,310	4,998,503	6,576,922	6,601,728	34,125,062	32,878,118	3,986,982	4,264,335
Dividends unpaid	1,209	915	62,516	49,911	7,845	14,281	554	847
Individual deposits	9,418,918	7,812,728	32,191,290	32,130,127	118,670,831	129,842,106	12,773,430	13,159,504
U. S. deposits	419,251	423,941	3,908,376	2,894,858	8,543,684	8,779,657	175,065	176,816
Deposits of U. S. disbursing officers	2,543	5,515	......	......	91,948	146,904	25,308	24,543
Notes and bills rediscounted	......	......	......	......	......	79,000	......	......
Bills payable	203,000	29,622	895,000	2,583,000	1,884,570	1,606,705	......	......
Liabilities other than those above stated	......	239,000	......	......	303,133	25,537	17,973	21,587
Total	$29,574,215	$29,960,966	$80,416,959	$82,520,948	$263,862,885	$271,244,179	$21,784,783	$22,427,251
Average reserve held	30.73 p. c.	27.14 p. c.	24.70 p. c.	28.42 p. c.	30.52 p. c.	29.48 p. c.	27.10 p. c.	25.86 p. c.
*Total lawful money reserve in bank	$1,909,560	$1,626,913	$4,526,053	$6,206,402	$20,460,758	$19,561,811	$2,258,066	$2,247,616

Resources.	Cedar Rapids, Iowa. Sept. 9, 1903.	Cedar Rapids, Iowa. Nov. 17, 1903.	Chicago, Ill. Sept. 9, 1903.	Chicago, Ill. Nov. 17, 1903.	Cincinnati, Ohio. Sept. 9, 1903.	Cincinnati, Ohio. Nov. 17, 1903.	Cleveland, Ohio. Sept. 9, 1903.	Cleveland, Ohio. Nov. 17, 1903.
Loans and discounts	$2,662.483	$2,620,022	$181,416,192	$174,204,284	$41,543,619	$40,108,127	$49,155,072	$48,082,075
Overdrafts	2.142	3,672	72,198	42,881	26,837	25,822	63,740	55,892
U. S. bonds to secure circulation	225,000	225,000	3,773,000	3,873,000	5,022,000	4,975,000	4,150,000	4,125,000
U. S. bonds to secure U. S. deposits	87,500	87,500	2,016,000	2,256,000	3,950,000	3,950,000	1,800,000	1,800,000
U. S. bonds on hand	......	......	27,680	200,200	59,580	94,360	......	......
Premiums on U. S. bonds	3,500	3,500	45,355	74,605	51,566	108,607	245,462	224,214
Stocks, securities, etc	236.174	10,829	13,071,896	12,574,120	10,582,453	10,031,076	3,655,403	3,762,207
Banking house, furniture and fixtures	1,338	1,338	1,340,175	1,337,175	479,156	1,117,522	536,900	436,400
Other real estate and mortgages owned	......	10,800	196,741	191,032	882,586	450,967	191,731	191,731
Due from National banks (not reserve agents)	381,082	283,238	46,685,453	44,518,880	5,449,282	4,997,176	4,108,879	3,863,769
Due from State banks and bankers	92,212	108,025	12,008,638	17,243,356	845,000	907,312	1,663,150	1,475,681
Due from approved reserve agents	544,111	394,554	......	......	5,774,994	5,032,990	4,731,974	2,796,290
Checks and other cash items	40,216	64,746	197,441	242,365	69,877	74,238	240,860	191,026
Exchanges for clearing-house	......	......	11,018,547	9,799,397	257,212	283,687	679,142	808,779
Bills of other National Banks	16,990	11,947	915,017	715,887	207.477	155,746	162,581	147,239
Fractional paper currency, nickels and cents	1,302	1,691	41,990	77,347	5,737	4,736	8,071	7,740
*Lawful money reserve in bank, viz.:								
Gold coin	108,930	124,590	8,950,782	8,831,842	408,552	728,588	1,400,667	1,425,095
Gold Treasury certificates	156,700	168,000	9,587,510	10,456,730	1,554,090	1,582,500	601.000	764.620
Gold clearing-house certificates	......	......	......	......	220.000	......	675.000	700,000
Silver dollars	13,881	16.119	154,973	161,232	81.587	66,208	141,407	121,981
Silver Treasury certificates	41,863	30,276	7,250.285	4,975,657	544.527	432,287	100,320	73,500
Silver fractional coin	10,128	13.677	238,782	180,872	35,349	32,645	49.998	52,277
Legal-tender notes	60,000	39,000	20,914,112	......	3,380,955	3,585,586	2,335,244	1,790,000
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	9.550	11,250	188.650	193,150	250,150	237,500	200.990	192,150
Due from U. S. Treasurer	......	......	238,000	177,237	461	7,624	36,602	57,962
Total	$4,695,108	$4,229,779	$320,347,483	$309,381,019	$81,683,034	$78,990,309	$76,984,200	$73,145,633
Liabilities.								
Capital stock paid in	$300,000	$300,000	$25,600,000	$25,600,000	$10,200,000	$10,200,000	$11,900,000	$11,900,000
Surplus fund	145,000	145,000	13,025,000	13,025,000	4,205,000	4,205,000	3,472,000	3,588,000
Undiv. profits, less expenses and taxes paid	23,153	46,027	6,182,782	6,131,048	2,196,457	2,082,552	1,496,633	1,161,478
National bank notes issued, less am't on hand	225,000	223,300	3,770,647	3,862,147	4,986,997	4,954,997	4,186,245	4,087,795
State bank notes outstanding	......	......	......	......	......	......	......	......
Due to other National banks	775,668	523,018	91,409,479	80,748,143	12,977,847	11,311,801	8,460,047	7,641,785
Due to State banks and bankers	1,872,993	1,514,602	51,907,460	47,203,126	8,052,796	7,712,565	12,932,658	11,841,980
Dividends unpaid	87	......	8,076	8,168	2,311	11,070	1.386	6,576
Individual deposits	1,257,754	1,390.835	125,352,080	129,419,533	32,320,778	31,924,997	27,656,065	25,913,683
U. S. deposits	87,500	87,500	2,832,092	3.072,213	6,602,067	5,617,835	3,630,925	3,351,334
Deposits of U. S. disbursing officers	......	......	252,365	111,954	......	......	52,534	54,963
Notes and bills rediscounted	......	......	......	......	......	......	115,000	50,000
Bills payable	......	......	......	......	......	250,000	3,080,000	3,190,000
Liabilities other than those above stated	8,000	......	7,500	199,683	138 794	719.488	703	358,187
Total	$4,695,108	$4,229,779	$320.347,483	$309,381,019	$81,683,034	$78,990,309	$76,984,200	$73,145,633
Average reserve held	27.67 p. c.	26.36 p. c.	23.87 p. c.	22.62 p. c.	26.29 p. c.	26.22 p. c.	24.11 p. c.	20.24 p. c.
*** Total lawful money reserve in bank**	$391,502	$391,662	$47,094,504	$41,660,100	$6,225,041	$6,427,814	$5,308,636	$4,927,473

RESOURCES.	COLUMBUS, OHIO. Sept. 9, 1903.	COLUMBUS, OHIO. Nov. 17, 1903.	DALLAS, TEXAS. Sept. 9, 1903.	DALLAS, TEXAS. Nov. 17, 1903.	DENVER, COLORADO. Sept. 9, 1903.	DENVER, COLORADO. Nov. 17, 1903.	DES MOINES, IOWA. Sept. 9, 1903.	DES MOINES, IOWA. Nov. 17, 1903.
Loans and discounts	$11,639,496	$11,851,405	$6,388,770	$6,724,102	$15,292,258	$15,047,947	$5,071,192	$5,077,266
Overdrafts	12,530	15,335	109,897	651,322	147,571	103,424	88,575	41,778
U. S. bonds to secure circulation	885,000	885,000	587,500	587,500	2,250,000	2,250,000	450,000	450,000
U. S. bonds to secure U. S. deposits	575,000	575,000	625,000	625,000	1,150,000	1,250,000	400,000	500,000
U. S. bonds on hand	10,760	11,010	......	......	......	......	7,020	7,020
Premiums on U. S. bonds	38,332	35,017	29,000	29,000	63,750	63,000	19,607	27,852
Stocks, securities, etc	2,314,672	2,455,792	62,814	64,814	8,816,380	9,374,917	292,184	286,017
Banking house, furniture and fixtures	406,568	427,521	127,636	167,636	65,000	70,875	111,602	112,602
Other real estate and mortgages owned	76,814	76,814	93,933	93,933	188,127	188,127	43,239	42,934
Due from National banks (not reserve agents)	1,416,319	1,283,670	858,357	1,482,848	2,830,607	2,620,452	576,634	435,742
Due from State banks and bankers	180,220	185,954	175,969	379,648	1,137,228	1,488,751	100,485	129,432
Due from approved reserve agents	1,635,478	1,226,506	726,968	1,919,185	7,943,398	6,389,283	1,021,635	632,877
Checks and other cash items	61,623	23,926	55,504	52,522	54,575	60,065	23,821	7,761
Exchanges for clearing-house	209,214	212,343	83,174	247,635	741,505	657,059	91,984	114,578
Bills of other National banks	89,471	119,963	78,532	160,055	524,805	690,608	37,299	38,030
Fractional paper currency, nickels and cents	3,611	2,745	6,697	5,189	2,660	4,898	3,854	3,497
*Lawful money reserve in bank, viz.:								
Gold coin	553,140	507,332	321,552	155,707	3,183,200	2,721,845	214,457	178,437
Gold Treasury certificates	365,920	300,060	108,520	393,100	344,860	341,200	156,450	150,500
Gold clearing-house certificates	......	......	......	......	......	......	......	......
Silver dollars	49,853	66,774	88,154	46,187	72,147	83,298	23,861	27,514
Silver Treasury certificates	293,780	197,652	92,770	102,589	379,881	291,773	75,224	39,325
Silver fractional coin	18,311	14,538	14,627	11,772	41,166	34,386	16,500	11,935
Legal-tender notes	958,953	959,671	409,140	274,465	1,979,860	1,766,200	259,208	162,870
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	44,250	44,250	27,875	28,775	112,500	112,500	22,500	22,500
Due from U. S. Treasurer	8,000	7,000	......	......	7,884	94,484	5,678	......
Total	$21,847,323	$21,485,287	$11,072,392	$14,202,988	$47,829,862	$45,704,598	$9,062,961	$8,495,470
LIABILITIES.								
Capital stock paid in	$2,400,000	$2,400,000	$1,050,000	$1,050,000	$2,500,000	$2,500,000	$800,000	$800,000
Surplus fund	870,000	885,000	1,118,000	1,118,000	750,000	750,000	260,000	260,000
Undiv. profits, less expenses and taxes paid	367,178	362,685	225,456	285,250	993,956	1,129,406	82,787	85,417
National bank notes issued, less am't on hand	885,000	883,750	587,500	587,500	2,235,750	2,235,600	390,197	436,397
Due to other National banks	1,604,996	1,508,562	1,349,398	2,969,641	6,694,267	5,839,835	1,864,264	1,544,565
Due to State banks and bankers	2,308,504	2,023,246	197,217	414,770	3,874,245	3,666,623	2,482,502	1,983,854
Dividends unpaid	11,534	3,656	418	218	......	......	308	128
Individual deposits	12,582,070	12,590,596	5,915,517	6,823,102	29,691,744	28,391,908	2,803,899	2,885,856
U. S. deposits	604,993	612,727	595,308	603,078	815,000	463,623	277,300	404,492
Deposits of U. S. disbursing officers	13,044	5,062	27,905	20,721	774,397	727,600	101,699	91,758
Notes and bills rediscounted	......	......	......	......	......	......	......	......
Bills payable	200,000	200,000	......	325,000	......	......	......	......
Liabilities other than those above stated	......	......	5,670	5,705	......	......	......	......
Total	$21,847,323	$21,485,287	$11,072,392	$14,202,988	$47,829,862	$45,704,596	$9,062,921	$8,495,470
Average reserve held	26.82 p. c.	23.14 p. c.	28.43 p. c.	36.84 p. c.	39.83 p. c.	35.50 p. c.	27.79 p. c.	21.09 p. c.
* Total lawful money reserve in bank	$2,239,957	$2,046,028	$1,034,763	$983,818	$6,001,114	$5,238,702	$745,701	$565,582

Resources.	DETROIT, MICH. Sept. 9, 1903.	DETROIT, MICH. Nov. 17, 1903.	DUBUQUE, IOWA. Sept. 9, 1903.	DUBUQUE, IOWA. Nov. 17, 1903.	HOUSTON, TEXAS. Sept. 9, 1903.	HOUSTON, TEXAS. Nov. 17, 1903.	INDIANAPOLIS, IND. Sept. 9, 1903.	INDIANAPOLIS, IND. Nov. 17, 1903.
Loans and discounts	$19,669,245	$17,125,230	$1,886,010	$2,008,745	$6,923,824	$6,206,829	$17,850,278	$17,174,524
Overdrafts	8,342	13,323	5,577	3,152	98,130	2,120,883	1,607	2,651
U. S. bonds to secure circulation	1,250,000	1,250,000	275,000	275,000	580,000	590,000	875,000	875,000
U. S. bonds to secure U. S. deposits	900,000	900,000	100,000	100,000	100,000	100,000	3,739,000	3,739,000
U. S. bonds on hand	......	......	......	......	......	......	191,980	191,869
Premiums on U. S. bonds	212,103	123,744	1,000	1,000	44,118	43,235	88,654	88,633
Stocks, securities, etc	1,564,514	1,396,858	202,643	209,468	58,279	58,160	2,800,755	2,509,681
Banking house, furniture and fixtures	35,400	35,350	103,000	103,000	261,257	270,844	277,321	277,421
Other real estate and mortgages owned	56,071	56,071	13,313	13,486	57,773	68,158	48,587	45,909
Due from National banks (not reserve agents)	1,822,009	1,671,330	116,621	100,071	1,060,536	734,846	4,579,007	3,526,371
Due from State banks and bankers	468,610	701,654	61,468	79,792	269,052	449,159	2,463,031	2,159,799
Due from approved reserve agents	2,325,748	2,128,242	464,765	420,935	1,049,257	825,408	5,463,129	4,822,295
Checks and other cash items	21,110	22,152	1,217	1,404	3,583	3,218	36,664	25,394
Exchanges for clearing-house	516,910	394,666	37,915	13,102	97,606	163,311	611,200	771,246
Bills of other National banks	211,965	163,470	25,711	28,943	152,395	161,158	913,195	874,181
Fractional paper currency, nickels and cents	12,002	11,667	930	2,196	3,959	3,137	7,042	5,618
*Lawful money reserve in bank, viz.:								
Gold coin	969,252	1,021,930	148,970	150,987	327,309	305,463	766,235	1,147,195
Gold Treasury certificates	141,990	121,990	10,000	5,000	379,810	666,050	1,455,000	1,810,000
Gold clearing-house certificates	125,000	......	......	......	......	......	......	......
Silver dollars	38,741	46,436	6,314	6,644	143,041	53,295	73,362	72,425
Silver Treasury certificates	31,550	26,833	22,003	19,000	57,589	159,127	131,643	52,537
Silver fractional coin	26,494	25,458	6,833	5,952	49,011	28,717	25,158	30,959
Legal-tender notes	1,118,387	786,534	80,309	42,310	519,977	777,988	1,478,940	1,486,232
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	62,500	62,500	13,750	13,750	27,750	29,000	41,000	41,750
Due from U. S. Treasurer	8,000	25,700	......	......	1,250	......	......	4,754
Total	$29,595,948	$28,111,144	$3,583,354	$3,603,943	$12,265,511	$13,809,969	$43,917,794	$41,735,444
Liabilities.								
Capital stock paid in	$4,100,000	$4,100,000	$600,000	$600,000	$1,450,000	$1,450,000	$4,300,000	$4,300,000
Surplus fund	1,014,000	1,014,000	113,500	113,500	900,000	900,000	1,560,000	1,560,000
Undiv. profits, less expenses and taxes paid	403,566	449,926	57,874	72,415	460,272	527,073	520,938	576,395
National bank notes issued, less am't on hand	1,140,750	1,218,050	275,000	274,500	555,000	551,200	824,750	824,750
Due to other National banks	2,679,355	2,636,994	218,324	167,165	1,566,040	2,477,686	7,028,482	5,823,795
Due to State banks and bankers	5,845,812	5,453,118	550,843	481,062	259,688	823,098	6,781,391	5,601,848
Dividends unpaid	128	131	189	30	1,167	885	353	463
Individual deposits	13,287,661	12,267,892	1,667,624	1,795,251	6,794,587	6,850,342	18,033,815	18,130,356
U. S. deposits	864,260	837,178	94,865	93,531	100,000	100,000	4,567,753	4,549,528
Deposits of U. S. disbursing officers	50,525	80,316	5,1[illegible]4	6,468	......	......	284,663	358,784
Notes and bills rediscounted	9,891	3,538	......	......	153,805	104,703	......	......
Bills payable	200,000	50,000	......	......	25,000	25,000	......	......
Liabilities other than those above stated	......	......	......	......	......	......	15,646	9,528
Total	$29,595,948	$28,111,144	$3,583,354	$3,603,943	$12,265,511	$13,809,969	$43,917,794	$41,735,444
Average reserve held	25.69 p. c.	24.14 p. c.	34.22 p. c.	29.83 p. c.	36.27 p. c.	32.92 p. c.	40.04 p. c.	41.91 p. c.
* Total lawful money reserve in bank	$2,451,414	$2,029,181	$274,429	$229,894	$1,476,737	$1,990,640	$3,930,338	$4,599,348

RESOURCES.	KANSAS CITY, KANS. Sept. 9, 1903.	KANSAS CITY, KANS. Nov. 17, 1903.	KANSAS CITY, MO. Sept. 9, 1903.	KANSAS CITY, MO. Nov. 17, 1903.	LINCOLN, NEB. Sept. 9, 1903.	LINCOLN, NEB. Nov. 17, 1903.	LOS ANGELES, CAL. Sept. 9, 1903.	LOS ANGELES, CAL. Nov. 17, 1903.
Loans and discounts	$4,225,168	$3,943,829	$38,735,416	$35,387,848	$3,040,589	$3,021,822	$16,497,308	$17,774,287
Overdrafts	45,645	19,861	437,257	400,360	45,097	44,699	222,812	408,449
U. S. bonds to secure circulation	900,000	900,000	2,241,000	2,241,000	260,000	260,000	2,590,000	2,668,000
U. S. bonds to secure U. S. deposits	50,000	50,000	1,764,000	2,014,000	110,000	110,000	400,000	500,000
U. S. bonds on hand	......	......	13,200	13,200	6,000	......	200,620	83,700
Premiums on U. S. bonds	44,192	43,393	31,191	31,191	14,805	13,000	153,407	154,889
Stocks, securities, etc	359,308	369,934	6,594,599	6,327,546	215,800	232,030	2,086,835	1,967,158
Banking house, furniture and fixture	4,500	4,500	397,361	397,361	78,148	76,148	466,355	632,729
Other real estate and mortgages owned	42,543	46,984	128,699	138,864	7,340	7,340	201,658	47,558
Due from National banks (not reserve agents)	327,582	403,408	3,258,976	3,261,828	700,215	505,602	1,567,865	1,558,293
Due from State banks and bankers	131,465	189,014	5,516,380	5,062,104	174,705	191,280	1,190,178	1,204,238
Due from approved reserve agents	641,305	582,707	11,630,933	7,942,303	543,834	365,942	3,708,272	3,529,741
Checks and other cash items	104,819	86,385	193,592	263,455	23,130	15,721	140,290	183,613
Exchanges for clearing-house	234,065	149,257	1,412,492	1,217,095	23,881	46,998	627,952	610,782
Bills of other National banks	19,643	13,325	175,363	206,742	14,450	11,215	90,000	139,931
Fractional paper currency, nickels and cents	736	882	9,069	12,706	1,067	1,257	6,954	8,750
*Lawful money reserve in bank, viz.:								
Gold coin	312,655	352,435	1,330,422	1,240,560	131,425	97,420	2,639,975	2,902,810
Gold Treasury certificates	50,000	45,000	1,301,820	1,211,970	680	1,020	114,460	298,680
Gold clearing-house certificates	......	......	......	......	......	......	367,000	369,000
Silver dollars	11,106	26,804	123,472	140,287	9,994	13,134	37,728	60,364
Silver Treasury certificates	5,000	4,513	1,090,033	354,797	400	640	109,294	174,143
Silver fractional coin	3,311	6,686	54,537	53,166	12,257	17,226	46,741	56,797
Legal-tender notes	617,955	371,358	502,841	481,880	110,529	......	380,299	228,907
U. S. certificate of deposit for legal-tenders	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	45,000	45,000	112,050	112,050	13,000	13,000	129,500	133,400
Due from U. S. Treasurer	5	5	12,820	25,020	......	......	......	......
Total	$8,176,008	$7,603,283	$77,067,528	$68,533,834	$5,537,302	$5,242,617	$33,975,509	$35,695,671
LIABILITIES.								
Capital stock paid in	$1,200,000	$1,200,000	$2,650,000	$2,650,000	$400,000	$400,000	$3,800,000	$3,960,000
Surplus fund	270,000	270,000	1,205,500	1,255,500	159,000	159,000	810,000	810,000
Undiv. profits less expenses and taxes paid	378,231	443,464	2,097,263	2,074,570	56,398	74,706	983,526	1,093,898
National bank notes issued, less am't on hand	884,700	900,000	2,160,100	2,240,000	260,000	260,000	2,535,820	2,635,050
Due to other National banks	1,634,547	1,306,928	21,642,336	17,274,805	666,422	566,950	728,271	911,097
Due to State banks and bankers	1,451,732	1,095,725	17,992,573	13,636,581	1,236,645	970,654	1,955,524	2,469,468
Dividends unpaid	509	127	1,422	1,476	......	......	796	1,110
Individual deposits	2,306,288	2,337,037	27,085,822	26,783,104	2,649,056	2,701,621	22,711,977	23,148,450
U. S. deposits	50,000	50,000	1,680,799	1,852,289	109,209	108,899	354,608	412,525
Deposits of U. S. disbursing officers	......	......	41,184	50,814	568	785	94,983	137,380
Notes and bills rediscounted	......	......	......	43,084	......	......	......	......
Bills payable	......	......	410,000	595,000	......	......	......	100,000
Liabilities other than those above stated	......	......	100,526	76,708	......	......	......	16,690
Total	$8,176,008	$7,603,283	$77,067,528	$68,533,834	$5,537,302	$5,242,617	$33,975,509	$35,695,671
Average reserve held	36.03 p. c.	35.54 p. c.	28.63 p. c.	24.05 p. c.	22.5 p. c.	20.24 p. c.	34.10 p. c.	33.49 p. c.
* Total lawful money reserve in bank	$1,000,027	$806,796	$4,403,125	$3,482,660	$265,285	$326,558	$3,695,497	$4,090,151

Resources.	Louisville, Ky. Sept. 9, 1903.	Louisville, Ky. Nov. 17, 1903.	Milwaukee, Wis. Sept. 9, 1903.	Milwaukee, Wis. Nov. 17, 1903.	Minneapolis, Minn. Sept. 9, 1903.	Minneapolis, Minn. Nov. 17, 1903.	New Orleans, La. Sept. 9, 1903.	New Orleans, La. Nov. 17, 1903.
Loans and discounts	$15,800,516	$15,583,502	$27,156,143	$27,113,444	$20,898,904	$21,626,520	$17,389,063	$30,138,372
Overdrafts	22,757	22,409	398,108	580,176	19,734	29,054	331,585	1,585,024
U. S. bonds to secure circulation	2,900,000	2,875,000	1,812,500	1,812,500	1,400,000	1,400,000	1,500,000	1,500,000
U. S. bonds to secure U. S. deposits	2,693,800	3,293,800	1,247,500	1,247,500	466,000	450,000	550,000	650,000
U. S. bonds on hand	......	......	......	......	120	16,120	500	20
Premiums on U. S. bonds	147,437	142,187	114,428	111,678	13,940	13,940	41,338	51,088
Stocks, securities, etc	2,446,769	2,510,982	2,624,844	2,483,558	918,853	989,968	2,220,822	2,247,627
Banking house, furniture and fixtures	235,590	242,106	136,434	131,730	360,377	419,258	594,657	594,657
Other real estate and mortgages owned	114,994	124,461	83,469	84,060	......	......	32,749	27,887
Due from National banks (not reserve agents)	1,789,907	2,176,910	1,836,479	1,513,671	1,510,848	2,100,331	758,700	1,233,554
Due from State banks and bankers	1,141,869	989,941	977,990	1,046,286	811,944	1,028,536	1,209,871	1,370,209
Due from approved reserve agents	2,646,847	2,651,704	4,797,665	4,396,836	2,580,218	2,564,975	2,988,222	2,908,017
Checks and other cash items	21,070	17,595	83,688	44,880	65,185	91,624	53,571	73,723
Exchange for clearing-house	144,422	163,963	675,450	699,018	1,164,664	1,594,627	1,012,511	2,288,866
Bills of other National banks	178,902	84,609	68,002	44,925	120,367	149,821	135,024	95,976
Fractional paper currency, nickels and cents	4,670	4,176	7,895	4,262	5,638	19,139	8,567	7,394
*Lawful money reserve in bank, viz.:								
Gold coin	812,012	546,055	1,720,690	1,503,805	793,177	728,760	119,914	97,329
Gold Treasury certificates	167,500	241,500	772,000	797,100	372,500	785,720	467,100	890,530
Gold clearing-house certificates	......	......	......	......	......	......	235,000	30,000
Silver dollars	66,036	51,480	72,060	98,072	92,649	59,530	45,624	44,493
Silver Treasury certificates	38,100	5,000	113,700	96,400	32,200	70,840	706,411	512,828
Silver fractional coin	29,889	39,659	39,861	49,155	29,227	31,389	30,306	29,528
Legal-tender notes	976,341	865,109	1,101,950	1,027,947	608,963	2,528,259	687,025	686,834
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	145,000	143,750	88,750	89,825	70,000	70,000	75,000	75,000
Due from U. S. Treasurer	6,000	7,800	7,500	9,150	25,162	29,381	......	1,000
Total	$32,530,435	$32,783,653	$45,912,110	$44,985,984	$32,560,676	$35,071,067	$31,193,066	$37,139,963
Liabilities.								
Capital stock paid in	$4,645,000	$4,645,000	$4,550,000	$4,550,000	$4,450,000	$4,450,000	$2,400,000	$2,400,000
Surplus fund	1,852,500	1,852,500	1,345,000	1,345,000	1,670,000	1,670,000	3,390,000	3,390,000
Undiv. profits, less expenses and taxes paid	519,289	596,561	996,932	1,114,901	626,543	716,656	449,849	565,800
National bank notes issued, less am't on hand	2,900,000	2,875,000	1,767,200	1,810,850	1,379,650	1,382,350	1,487,945	1,482,492
Due to other National banks	4,884,232	4,455,128	3,951,674	4,418,790	5,736,496	6,164,465	1,782,042	3,375,264
Due to State banks and bankers	4,405,964	3,987,753	3,470,525	3,288,750	4,185,844	4,307,634	3,326,758	4,187,207
Dividends unpaid	2,850	3,096	189	342	558	1,158	9,730	5,334
Individual deposits	10,540,337	10,437,333	28,317,904	27,058,343	13,590,509	15,441,247	16,675,601	18,097,785
U. S. deposits	2,180,153	3,015,175	1,111,617	978,111	711,185	725,618	500,000	627,818
Deposits of U. S. disbursing officers	314,472	261,945	321,383	316,326	34,887	6,926	9,845	10,060
Notes and bills rediscounted	......	169,571	......	......	......	......	600,000	790,000
Bills payable	250,000	300,000	......	......	175,000	205,000	495,000	1,215,000
Liabilities other than those above stated	35,635	184,586	79,684	104,567	......	......	96,800	998,200
Total	$32,530,435	$32,783,653	$45,912,110	$44,985,984	$32,560,676	$35,071,067	$31,193,066	$37,139,963
Average reserve held	28.91 p. c.	28.90 p. c.	26.79 p. c.	25.37 p. c.	24.00 p. c.	24.56 p. c.	28.65 p. c.	25.50 p. c.
***Total lawful money reserve in bank**	$2,089,879	$1,748,806	$3,820,261	$3,572,479	$2,128,716	$4,204,498	$2,291,380	$2,291,542

	OMAHA, NEB.		PHILADELPHIA, PA.		PITTSBURG, PA.		PORTLAND, ORE.	
RESOURCES.	*Sept. 9, 1903.*	*Nov. 17, 1903.*	*Sept. 9, 1903.*	*Nov. 17, 1903.*	*Sept. 9, 1903.*	*Nov. 17, 1903.*	*Sept. 9, 1903.*	*Nov. 17, 1903.*
Loans and discounts	$16,020,539	$15,581,410	$142,378,735	$142,509,091	$115,066,981	$110,987,105	$5,880,435	$6,450,428
Overdrafts	85,296	85,798	11,722	9,631	72,694	79,850	425,254	410,518
U. S. bonds to secure circulation	1,250,000	1,250,000	12,144,500	11,644,500	9,735,000	9,085,000	1,050,000	1,050,000
U. S. bonds to secure U. S. deposits	1,000,000	1,100,000	5,124,000	5,879,000	8,504,000	8,704,000	1,000,000	1,100,000
U. S. bonds on hand	18,820	18,825	......	......	2,000	......	4,300	4,300
Premiums on U. S. bonds	111,885	118,662	589,948	525,935	700,474	655,121	55,364	62,364
Stocks, securities, etc	1,858,211	1,763,624	28,237,558	28,220,662	17,590,168	17,044,140	2,880,880	2,713,228
Banking house, furniture and fixtures	570,100	570,101	3,751,701	3,844,388	7,708,306	8,024,106	225,844	226,065
Other real estate and mortgages owned	29,042	28,862	607,564	553,441	452,186	405,390	117,484	93,614
Due from National banks (not reserve agents)	1,985,200	1,555,775	20,637,288	23,282,727	6,403,984	4,809,588	967,022	809,715
Due from State banks and bankers	1,088,979	558,075	5,203,585	5,822,572	2,960,272	2,454,624	378,325	290,459
Due from approved reserve agents	3,429,579	2,548,500	29,590,735	30,864,015	10,570,698	10,477,058	1,908,292	1,420,259
Checks and other cash items	123,639	127,810	1,592,335	2,029,614	646,087	569,564	89,168	50,212
Exchanges for clearing-house	748,965	868,158	11,629,160	14,111,898	4,915,327	3,694,004	95,930	86,936
Bills of other National banks	211,100	205,554	461,655	824,365	459,780	384,253	5,780	5,335
Fractional paper currency, nickels and cents	3,727	5,206	67,394	55,682	21,097	19,586	1,951	2,513
*Lawful money reserve in bank, viz.:								
Gold coin	1,048,255	1,144,682	1,690,095	1,589,172	3,450,065	2,801,120	1,751,675	1,972,940
Gold Treasury certificates	305,020	274,000	6,602,070	5,710,970	4,148,750	4,056,010	......	5,000
Gold clearing-house certificates	......	......	5,925,000	5,685	......	......	......	......
Silver dollars	108,234	165,991	286,108	256,669	320,085	320,978	8,406	14,244
Silver Treasury certificates	453,650	386,618	3,898,312	3,772,220	3,184,920	3,458,926	13,058	14,737
Silver fractional coin	62,385	81,353	383,271	493,088	216,698	158,881	19,098	34,556
Legal-tender notes	2,306,615	1,908,137	3,226,872	2,958,286	3,924,218	3,514,710	28,322	38,841
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	62,500	62,500	607,225	582,152	486,747	449,397	52,500	32,500
Due from U. S. Treasurer	3,299	8,099	83,356	185,015	43,574	161,850	......	......
Total	$32,829,995	$30,407,243	$284,674,657	$289,910,101	$196,549,018	$187,204,766	$16,909,084	$16,908,770
LIABILITIES.								
Capital stock paid in	$3,250,000	$3,250,000	$21,905,000	$21,905,000	$21,560,000	$20,000,000	$1,050,000	$1,050,000
Surplus fund	570,000	595,000	23,725,000	24,025,000	23,640,100	23,455,000	200,000	200,000
Undiv. profits, less expenses and taxes paid	304,445	340,286	4,314,832	4,180,655	6,871,184	6,945,877	916,357	948,446
National bank notes issued, less am't on hand	1,246,400	1,250,000	11,980,085	11,599,632	9,734,937	8,966,449	1,006,800	1,040,250
Due to other National banks	6,474,821	5,214,114	59,743,978	63,636,233	23,794,018	20,658,287	2,185,818	2,201,291
Due to State banks and bankers	5,397,121	4,127,623	34,718,663	36,246,102	17,856,669	16,718,421	1,996,504	1,788,533
Dividends unpaid	150	3,859	28,655	55,779	35,187	39,434	631	451
Individual deposits	14,608,961	14,558,175	122,387,641	122,124,032	86,146,935	81,740,266	8,619,662	8,600,232
U. S. deposits	694,564	804,365	5,630,918	5,926,060	3,877,687	4,514,722	287,987	410,563
Deposits of U. S. disbursing officers	283,531	263,818	191,548	211,605	255,456	302,541	645,326	669,002
Notes and bills rediscounted	......	......	48,333	......	726,578	1,313,768	......	......
Bills payable	......	......	......	......	1,462,000	2,360,000	......	......
Liabilities other than those above stated	......	......	......	......	588,262	190,000	......	......
Total	$32,829,995	$30,407,243	$284,674,657	$289,910,101	$196,549,018	$187,204,766	$16,909,084	$16,908,770
Average reserve held	34.14 p. c.	31.34 p. c.	29.16 p. c.	28.99 p. c.	23.17 p. c.	23.37 p. c.	31.50 p. c.	29.44 p. c.
* Total lawful money reserve in bank	$4,284,159	$3,960,777	$22,006,228	$20,465,405	$15,194,737	$14,300,125	$1,820,554	$2,080,318

Resources.	ST. JOSEPH, MO. Sept. 9, 1903.	ST. JOSEPH, MO. Nov. 17, 1903.	ST. LOUIS, MO. Sept. 9, 1903.	ST. LOUIS, MO. Nov. 17, 1903.	ST. PAUL, MINN. Sept. 9, 1903.	ST. PAUL, MINN. Nov. 17, 1903.	SALT LAKE CITY, UTAH. Sept. 9, 1903.	SALT LAKE CITY, UTAH. Nov. 17, 1903.
Loans and discounts	$6,314,486	$6,138,560	$89,312,020	$83,428,281	$14,870,466	$15,398,570	$3,409,096	$3,684,943
Overdrafts	31,484	20,559	267,985	174,379	10,510	4,743	267,241	355,427
U. S. bonds to secure circulation	505,000	505,000	11,331,640	11,391,640	846,000	846,000	1,050,000	1,050,000
U. S. bonds to secure U. S. deposits	235,680	235,680	3,541,400	5,931,300	1,547,000	1,347,000	600,000	600,000
U. S. bonds on hand	1,500	1,500	500	500	100	......	......	......
Premiums on U. S. bonds	31,327	10,407	147,078	141,039	3,224	3,218	37,375	37,375
Stocks, securities, etc	234,553	188,553	5,108,149	6,938,930	2,927,516	3,038,526	521,892	494,186
Banking house, furniture and fixtures	84,000	104,012	1,209,837	1,210,000	535,593	535,593	148,962	149,013
Other real estate and mortgages owned	......	45,000	65,674	65,623	101,948	100,868	35,901	35,901
Due from National banks (not reserve agents)	983,225	909,627	12,466,434	16,191,285	1,570,326	1,491,067	862,349	680,333
Due from State banks and bankers	537,448	349,847	4,003,404	5,683,020	617,581	553,294	390,179	403,061
Due from approved reserve agents	2,081,975	1,170,206	......	......	2,879,720	3,823,032	651,711	602,279
Checks and other cash items	100,159	27,752	262,798	271,312	183,977	159,021	8,252	10,264
Exchanges for clearing-house	325,943	205,878	2,538,512	3,104,872	533,611	610,892	103,655	356,094
Bills of other National banks	36,160	29,610	205,727	110,495	155,180	120,949	27,609	59,430
Fractional paper currency, nickels and cents	3,684	6, 76	4,498	5,033	5,307	7,070	1,000	929
*Lawful money reserve in bank, viz.:								
Gold coin	413,752	420,725	2,054,922	2,341,645	1,404,286	1,276,659	662,979	674,710
Gold Treasury certificates	34,970	41,430	9,938,020	10,195,310	385,400	465,700	2,150	47,480
Gold clearing-house certificates	......	......	......	......	......	......	......	......
Silver dollars	48,502	35,309	77,995	59,064	86,200	105,110	41,824	35,464
Silver Treasury certificates	164,239	128,468	2,109,591	1,795,232	182,605	204,268	599	10,801
Silver fractional coin	13,222	11,318	26,399	33,002	83,085	84,786	12,540	20,284
Legal-tender notes	290,362	304,666	3,725,139	2,260,844	659,195	687,676	96,400	99,500
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	25,250	25,250	566,582	569,582	42,300	42,300	52,200	52,500
Due from U. S. Treasurer	5,000	2,100	16,000	11,100	25,600	47,700	......	......
Total	$12,501,925	$10,917,737	$148,980,310	$151,913,492	$29,656,735	$30,954,049	$8,983,989	$9,459,980
Liabilities.								
Capital stock paid in	$550,000	$550,000	$15,560,000	$15,600,000	$4,000,000	$4,000,000	$1,100,000	$1,100,000
Surplus fund	175,000	175,000	10,350,000	10,350,000	1,036,000	1,096,000	332,500	332,500
Undiv. profits, less expenses and taxes paid	136,841	147,071	5,031,308	5,074,819	624,599	645,572	301,641	299,124
National bank notes issued, less am't on hand	505,000	505,000	11,306,787	11,368,037	798,770	798,300	998,700	1,019,500
Due to other National banks	1,967,011	1,586,054	29,420,435	25,258,564	3,927,010	4,084,654	302,741	355,369
Due to State banks and bankers	3,905,703	2,955,293	25,476,121	23,836,178	2,758,056	2,634,167	725,317	701,462
Dividends unpaid	......	......	9,570	4,502	923	596	473	1,022
Individual deposits	5,001,734	4,738,715	46,752,625	48,762,414	14,990,496	16,417,026	4,606,759	5,029,191
U. S. deposits	254,691	254,642	4,410,762	11,524,606	926,367	795,645	571,584	572,912
Deposits of U. S. disbursing officers	5,942	5,960	38,851	29,759	594,512	542,085	25,384	26,092
Notes and bills rediscounted	......	......	......	......	......	......	......	......
Bills payable	......	......	......	......	......	......	......	......
Liabilities other than those above stated	......	......	623,848	104,606	......	......	18,836	22,806
Total	$12,501,925	$10,917,737	$148,980,310	$151,913,492	$29,656,735	$30,954,049	$8,983,989	$9,459,980
Average reserve held	34.89 p. c.	27.44 p. c.	22.43 p. c.	23.70 p. c.	29.55 p. c.	32.15 p. c.	33.76 p. c.	33.25 p. c.
* Total lawful money reserve in bank	$965,047	$941,914	$17,982,067	$16,685,097	$2,800,771	$2,824,200	$816,492	$888,240

RESOURCES.	SAN FRANCISCO, CAL. Sept. 9, 1903.	Nov. 17, 1903.	SAVANNAH, GA. Sept. 9, 1903.	Nov. 17, 1903.	WASHINGTON, D. C. Sept. 9, 1903.	Nov. 17, 1903.	WICHITA, KAN. Sept. 9, 1903.	Nov. 17, 1903.
Loans and discounts	$27,568,076	$28,308,350	$2,090,773	$2,151,872	$14,348,913	$16,073,274	$2,780,178	$2,948,111
Overdrafts	112,492	171,277	369	376	8,561	10,352	37,025	43,044
U. S. bonds to secure circulation	4,975,000	5,075,000	300,000	300,000	1,269,000	1,269,000	250,000	250,000
U. S. bonds to secure U. S. deposits	1,424,000	1,624,000	127,000	127,000	3,451,000	3,601,000	200,000	200,000
U. S. bonds on hand	418,900	334,400	......	......	179,980	140,590	7,580	7,580
Premiums on U. S. bonds	201,786	264,933	7,000	7,000	196,578	205,291	23,159	23,084
Stocks, securities, etc.	2,628,277	2,541,412	23,149	23,199	1,521,201	1,530,166	387,558	454,591
Banking house, furniture and fixtures	668,020	668,476	51,631	51,631	1,278,952	1,283,606	97,695	102,148
Other real estate and mortgages owned	......	......	29,668	29,668	187,418	187,418	2,200	2,200
Due from National banks (not reserve agents)	941,647	1,144,057	78,970	42,529	2,232,784	2,150,019	969,794	571,878
Due from State banks and bankers	3,546,309	4,134,507	15,731	26,488	225,057	219,238	33,501	26,359
Due from approved reserve agents	2,271,808	2,301,584	221,076	77,064	3,945,604	2,978,464	821,844	510,848
Checks and other cash items	26,608	45,932	......	......	162,781	173,288	10,097	4,224
Exchanges for clearing-house	1,254,496	1,850,116	......	18,169	344,420	318,172	51,795	60,491
Bills of other National banks	108,667	109,923	23,000	8,000	12,495	4,665	71,563	42,076
Fractional paper currency, nickels and cents	3,300	5,135	2,850	1,663	6,434	9,654	780	1,123
*Lawful money reserve in bank, viz.:								
Gold coin	8,986,931	8,517,852	15,350	3,500	85,970	81,345	84,410	96,545
Gold Treasury certificates	813,480	1,580,730	17,000	53,000	1,737,240	1,877,280	89,000	90,000
Gold clearing-house certificates	150,000	175,000	......	......	......	......	......	......
Silver dollars	125,456	130,723	26,300	12,300	18,551	10,735	13,786	11,968
Silver Treasury certificates	19,050	111,558	39,400	15,523	680,040	777,936	21,000	12,000
Silver fractional coin	160,707	184,227	10,500	5,600	62,563	71,209	5,032	10,055
Legal-tender notes	43,173	64,567	20,592	54,511	274,372	274,639	120,529	85,684
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	246,850	253,750	15,000	15,000	60,950	60,950	12,500	12,500
Due from U. S. Treasurer	......	......	2	2	2,350	4,050	10,000	9,500
Total	$51,785,034	$54,597,516	$3,115,365	$3,024,120	$32,288,220	$33,307,346	$6,101,031	$5,570,954
LIABILITIES.								
Capital stock paid in	$7,500,000	$7,500,000	$750,000	$750,000	$3,525,000	$3,525,000	$500,000	$500,000
Surplus fund	3,738,500	3,738,500	225,000	225,000	2,577,365	2,597,200	91,000	96,000
Undiv. profits, less expenses and taxes paid	852,825	1,084,201	152,322	167,971	435,712	448,960	51,600	71,495
State bank notes outstanding	4,883,050	5,036,940	300,000	300,000	1,211,847	1,202,997	250,000	250,000
Due to other National banks	3,387,767	3,456,818	113,826	161,050	520,810	421,103	619,770	607,380
Due to State banks and bankers	8,109,846	9,123,702	341,702	263,227	849,866	957,165	1,516,238	1,036,824
Dividends unpaid	8,872	7,455	183	40	6,009	2,489	110	125
Individual deposits	21,860,107	23,017,399	703,047	723,208	18,699,480	19,344,784	2,872,322	2,809,128
U. S. deposits	1,443,568	1,631,201	59,710	66,482	4,403,869	4,572,369	200,000	200,000
Deposits of U. S. disbursing officers	......	......	63,409	60,076	54,603	36,388	......	......
Notes and bills rediscounted	......	......	......	......	......	137,348	......	......
Bills payable	......	......	406,212	307,062	......	50,000	......	......
Liabilities other than those above stated	498	1,297	......	......	4,655	11,819	......	......
Total	$51,785,034	$54,597,516	$3,115,365	$3,024,120	$32,288,220	$33,307,346	$6,101,031	$5,570,954
Average reserve held	28.41 p. c.	29.33 p. c.	33.07 p. c.	21.26 p. c.	37.31 p. c.	32.15 p. c.	30.17 p. c.	22.16 p. c.
*Total lawful money reserve in bank	$5,298,797	$5,764,658	$129,142	$144,434	$2,858,736	$3,093,144	$333,757	$306,252

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, January 4, 1904.

AN EXTRAORDINARY ADVANCE IN THE PRICE OF COTTON was one of the important and serious incidents of the last month of the year just closed. Speculation carried the price for middling uplands in New York to 14.10 cents on December 28, the highest price recorded in many years. A year ago the price was 8½. The Government estimate of the crop was slightly less than 10,000,000 bales, or about 700,000 bales less than the previous year's crop.

The export movement of cotton has been very large since September and the price has averaged more than 2 cents per pound higher than it did in 1902. In September the average export price was 10.8 cents against 8.6 cents in September, 1902. In October it was 10.8 cents against 8.5 cents in 1902 and in November it was 10.5 cents against 8.4 cents. In the three months ended November 30 we exported 1,417,000,000 pounds of cotton at a value of $149,000,000 as compared with 1,276,000,000 pounds valued at $107,000,000 for the same period last year. Of the $42,000,000 increase in value $30,000,000 is represented in the increased price. So far at any rate the advance in price has apparently been productive of good results, but disaster usually follows in the wake of excessive speculation.

To the large exports in cotton is due in great part the extraordinary increase which has taken place in our exports of merchandise. In November the exports were more than $160,000,000 while the imports were only $77,000,000. The month shows therefore the extraordinary balance of $83,000,000, a total rarely exceeded and not since October, 1900, when the total exports were $168,000,000 and the net exports nearly $93,000,000.

The recent increase in exports has brought the total for the eleven months of 1903 to within $16,000,000 of the high record made in 1901. As the December exports in that year were about $137,000,000 the total for December, 1903, would have to exceed $153,000,000 to make the year's record equal that of 1901.

It was somewhat of an unusual experience for the stock market to advance in the face of a rampant speculation in cotton, but such was the experience in December. Prices of both stocks and bonds made a substantial advance, but of course the final prices of 1903 are considerably below those of 1902. That the year closed without any break in the market during the final weeks was an agreeable surprise to many apprehensive operators.

The year closed without any serious stringency in the money market. The highest rate call money commanded was 9 per cent. on the last day of the year, while even on that date the rate was down to 6 per cent. Is is generally believed that the future of the money market is one of assured ease. While the increase in the supply of money continues at the present rate there is little fear of stringency in the absence of a wilder speculation in securities than now exists.

Statistically money is very plentiful. The amount in circulation on January 1 is estimated at more than $2,446,000,000, an increase of $117,000,000 in a year. Since June 30, 1900, more than $400,000,000 has been added to the circulating medium of the country. The character of our circulation has also vastly improved. At the present time nearly $1,050,000,000 of the money in circulation is gold. In 1896 there

was less than $500,000,000. The large exports of merchandise have enabled us to retain our domestic production of gold, and last month we were able also to draw gold from abroad. Any activity in our money market looking towards higher rates for loans would stimulate gold imports.

The position of the New York clearing-house banks at the end of 1903 is somewhat stronger as to reserves than it was two years ago, but the surplus reserve is not quite as large as it was last year. The following comparison of the principal items contained in the statements issued at the beginning of each of the past four years, and the statement of January 2 this year, may be found of interest:

	1900.	1901.	1902.	1903.	1904.
Loans	$677,797,000	$803,989,600	$869,546,600	$875,352,100	$908,570,500
Deposits	748,953,100	870,950,100	928,204,100	878,115,000	886,178,900
Specie	144,001,700	164,827,800	164,808,800	154,998,700	160,675,800
Legal tenders	54,994,300	67,059,800	74,257,800	73,478,900	70,410,800
Surplus reserve	11,757,725	14,150,075	7,515,575	10,193,850	9,541,875
Circulation	16,234,100	30,982,500	31,874,200	45,705,200	44,925,400

The loans are larger than they ever were before at this time of year but deposits are less than they were two years ago. Compared with four years ago loans show an increase of $231,000,000 and deposits of $137,000,000. Surplus reserves have not varied to any great extent while circulation has increased since 1900 although a reduction occurred in 1903.

While the money supply, the Government finances and the banking situation generally present favorable features, there are trade and industrial conditions which invite conservatism. Labor troubles have been more or less prominent in the last month of the year as well as during the year. They reached an exaggerated shape in Chicago where funeral rites were denied to people without the pale of unionism. In Colorado and other parts of the country labor difficulties have made trouble. Here in New York the building and other trades are suffering from the effects of past and pending strikes.

That industrial enterprise has suffered a check is apparent in the decline in the production of iron and steel. On December 1 the pig iron furnaces in blast had a capacity of only 251,181 tons per week. This represents a decrease in one month of 31,000 tons a week and in six months of 147,000 tons, or about thirty-five per cent. Last August the furnaces turned out 1,614,121 tons of pig iron, and in November only 1,073,840 tons.

Since last May the production of steel by United States Steel Corporation plants has also declined almost continually. In that month the output was 1,037,265 tons, in August it was 993,564 tons, in October 829,215 tons and in November only 553,067 tons, or only about one-half of what it was in May last. These facts indicate to what extent there has been curtailment of activity in certain lines of industry.

Some figures suggestive of the prosperity of the American farmer have come from the Chief of the Bureau of Statistics of the Department of Agriculture during the past month. The farm values of last year's crops calculated on the basis of prices ruling on December 1, are less than for the crops of 1902; nevertheless they are very satisfactory, for 1902 was an exceptional year. The value of the corn crop of last year is about $953,000,000, of wheat $443,000,000, of oats $267,000,000, of barley $60,000,000, of rye $16,000,000, of buckwheat $9,000,000, of flaxseed $22,000,-000, of potatoes $152,000,000, of hay $556,000,000 and of tobacco $55,000,000, a total of $2,534,000,000. This is about $83,000,000 less than the estimated value of the crops of 1902, but very much larger than the values reported in previous years.

During the month there have been many rumors of war as imminent between Russia and Japan. To what extent such a conflict would affect conditions here

there is a wide variance of opinion. But hopeful views as to the immediate future generally prevail.

THE MONEY MARKET.—The usual advance in rates for money at the close of the year occurred in the last few days of the month. The rate for call money, however, went no higher than nine per cent., which rate was recorded in November. At the close of the month call money ruled at 6 @ 9 per cent., the average rate being 7 per cent. Banks and trust companies loaned at 6 per cent. as the minimum rate. Time money on Stock Exchange collateral is quoted at 5½ per cent. for 30 days, 5¼ @ 5½ per cent. for 60 days, and 4½ @ 5 per cent. for 3 to 6 months on good mixed collateral. For commercial paper the rates are 5½ @ 5¾ per cent. for 60 to 90 days' endorsed bills receivable, 5¼ @ 6 per cent. for first-class 4 to 6 months' single names, and 6 @ 6½ per cent. for good paper having the same length of time to run.

MONEY RATES IN NEW YORK CITY.

	Aug. 1.	Sept. 1.	Oct. 3.	Nov. 1.	Dec. 1.	Jan. 1.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Call loans, bankers' balances	1¾ – 3	1½ – 2	2¼ – 3	4 – 5	6 – 9	6 – 9
Call loans, banks and trust companies	2 –	2 –	2½ –	2½ –	6 –	6 –
Brokers' loans on collateral, 30 to 60 days	4 –	5 – 5½	5½ –	5 –	6 –	5¼ – ½
Brokers' loans on collateral, 90 days to 4 months	4½ – 5	5½ –	6 –	5 –	5½ – 6	4½ – 5
Brokers' loans on collateral, 5 to 7 months	5¼ – ½	5½ – 6	6 –	5 –	5½ –	5 –
Commercial paper, endorsed bills receivable, 60 to 90 days	5¾ –	6 –	6 –	5½ – 6	6 –	5½ – ¾
Commercial paper prime single names, 4 to 6 months	5¾ – 6	6 – 6½	6 – 6½	5½ – 6	6 – 6½	5¾ – 6
Commercial paper, good single names, 4 to 6 months	6 – ½	6½ – 7	6½ – 7	6 – 6½	6½ – 7	6 – 6½

NEW YORK CITY BANKS.—Since about the middle of the month both loans and deposits of the New York clearing-house banks have been increasing. In three

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	Specie.	Legal tenders.	Deposits.	Surplus Reserve.	Circulation.	Clearings.
Dec. 5...	$882,063,300	$151,611,600	$65,418,800	$842,900,400	$6,305,300	$46,058,100	$1,306,392,500
" 12...	880,893,800	152,833,600	66,458,300	842,855,700	8,077,975	46,117,300	1,328,929,400
" 19...	878,740,200	157,887,000	68,209,500	848,284,000	14,025,500	46,036,100	1,191,007,100
" 26...	892,262,800	161,151,800	67,902,500	865,918,700	12,574,625	45,304,400	1,006,382,000
Jan. 2...	908,570,500	160,675,800	70,410,800	886,178,900	9,541,850	44,925,400	1,143,217,700

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	1902.		1903.		1904.	
	Deposits.	Surplus Reserve.	Deposits.	Surplus Reserve.	Deposits.	Surplus Reserve.
January	$910,860,800	$7,515,575	$873,115,000	$10,193,850	$866,178,900	$9,541,850
February	975,997,000	26,623,350	931,778,900	27,880,775	....	....
March	1,017,488,300	9,975,925	956,206,400	5,951,900	....	....
April	965,353,300	6,965,575	894,260,000	6,280,900	....	....
May	968,189,600	7,484,000	905,760,200	11,181,850	....	....
June	948,326,400	11,929,000	913,081,800	9,645,150	....	....
July	955,829,400	12,978,350	903,719,800	12,923,850	....	....
August	957,145,500	13,738,125	908,864,500	24,060,075	....	....
September	935,998,500	9,742,775	920,123,900	20,677,925	....	....
October	876,519,100	3,236,625	897,214,400	13,937,500	....	....
November	893,791,200	21,339,100	885,618,600	10,274,150	....	....
December	883,836,800	15,786,300	841,552,000	6,125,200	....	....

Deposits reached the highest amount, $1,019,474,200 on Feb. 21, 1901, loans, $950,208,700 on February 21, 1903, and the surplus reserve $111,623,000 on Feb. 3, 1894.

weeks deposits increased $43,000,000, and in two weeks loans about $30,000,000. Loans at the close of the year were $33,000,000 larger than they were a year ago, while deposits show an increase of $13,000,000. The surplus reserve is $3,400,000 larger than at the close of November but is $650,000 less than a year ago.

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

DATES.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus.*
Dec. 5....	$79,638,800	$87,014,700	$3,700,000	$4,890,500	$9,029,500	$2,909,500	* $1,224,175
" 12....	79,868,500	90,948,300	3,680,500	4,918,500	12,907,500	2,968,600	1,738,025
" 19....	79,724,000	85,944,400	3,651,800	4,645,200	8,105,700	3,290,000	* 1,793,100
" 26....	79,539,100	86,224,700	3,652,900	4,598,900	8,535,100	3,292,300	* 1,476,975
Jan. 2....	79,286,300	87,710,100	3,842,200	4,925,300	9,848,700	3,524,200	207,880

* Deficit.

BOSTON BANKS.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Nov. 28.......	$181,084,000	$195,817,000	$14,264,000	$5,596,000	$6,571,000	$99,231,000
Dec. 5.......	179,513,000	196,531,000	14,026,000	5,858,000	6,566,000	132,615,000
" 12.......	177,200,000	195,168,000	13,845,000	5,700,000	6,586,000	131,012,000
" 19.......	175,804,000	192,970,000	14,496,000	5,612,000	6,606,000	130,902,400
" 26.......	174,334,000	189,543,000	13,794,000	5,384,000	6,656,000	99,917,100

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Nov. 28................	$182,955,000	$204,428,000	$50,540,000	$11,047,000	$103,616,800
Dec. 5................	182,771,000	203,294,000	49,920,000	11,047,000	120,103,300
" 12................	183,418,000	202,969,000	49,564,000	11,056,000	102,372,700
" 19................	183,369,000	204,689,000	49,786,000	11,006,000	114,687,900
" 26................	183,997,000	205,137,000	49,778,000	11,007,000	96,150,800

MONEY RATES ABROAD.—The Bank of England made no change in its rate of discount last month and it continues at 4 per cent. Discounts of 60 to 90 day bills in London at the close of the month were 3⅜ per cent. against 4 @ 4⅛ per cent. a month ago. The open market rate at Paris was 2⅞ per cent., the same as a month ago, and at Berlin and Frankfort 3⅜ per cent. against 3¾ per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Sept. 9, 1903.	*Oct. 14, 1903.*	*Nov. 14, 1903.*	*Dec. 12, 1903.*
Circulation (exc. b'k post bills)..........	£29,095,465	£28,960,640	£28,552,415	£29,243,670
Public deposits..........................	7,231,981	6,388,430	6,226,366	7,9t6,866
Other deposits...........................	38,770,079	43,139,126	38,923,056	38,984,069
Government securities....................	17,060,841	19,975,056	16,486,556	18,187,060
Other securities.........................	23,714,428	25,501,353	24,423,615	27,046,714
Reserve of notes and coin................	23,641,189	21,859,178	22,061,952	19,034,663
Coin and bullion.........................	34,286,654	32,369,818	32,164,367	31,103,338
Reserve to liabilities...................	51¼%	44%	48¾%	41⅝%
Bank rate of discount....................	4%	4%	4%	4%
Price of Consols (2¾ per cents.).........	89⅝	88$\frac{3}{16}$	97⅝	97$\frac{7}{16}$
Price of silver per ounce................	26⅝d.	28$\frac{1}{16}$d.	26¾d.	29$\frac{1}{16}$d.

FOREIGN EXCHANGE.—The sterling exchange was lower in December, sight sterling falling to 4.8275 @ 4.8290 on the 7th. This is the lowest record in more than a

decade. Rates subsequently advanced but fell off again late in the month when gold imports were renewed.

Rates for Sterling at Close of Each Week.

Week ended.	Bankers' Sterling. 60 days.	Bankers' Sterling. Sight.	Cable transfers.	Prime commercial, Long.	Documentary Sterling, 60 days.
Dec. 5	4.7975 @ 4.7985	4.8305 @ 4.8320	4.8350 @ 4.8365	4.79⅛ @ 4.79¼	4.78⅛ @ 4.79¾
" 12	4.8000 @ 4.8010	4.8335 @ 4.8350	4.8380 @ 4.8390	4.79⅛ @ 4.79¾	4.79 @ 4.80¼
" 19	4.8150 @ 4.8175	4.8480 @ 4.8490	4.8520 @ 4.8540	4.81⅛ @ 4.81¼	4.80⅛ @ 4.81¾
" 26	4.8110 @ 4.8120	4.8405 @ 4.8415	4.8450 @ 4.8460	4.80½ @ 4.80⅝	4.80 @ 4.81
Jan. 31	4.8100 @ 4.8110	4.8400 @ 4.8410	4.8440 @ 4.8455	4.80½ @ 4.80⅝	4.80 @ 4.80¾

Foreign Exchange—Actual Rates on or about the First of each Month.

	Sept. 1.	Oct. 1.	Nov. 1.	Dec. 1.	Jan. 1.
Sterling Bankers—60 days	4.83¼— ½	4.82¼— ⅜	4.81 — ¼	4.79¾—80	4.81 — ⅛
" " Sight	4.86 — ¼	4.86 — ⅛	4.84⅜— ⅝	4.83½—	4.84 — ⅛
" " Cables	4.86⅜— ⅝	4.86⅝— ¾	4.85⅛— ⅜	4.84 —	4.84½— ⅝
" Commercial long	4.82½— 3	4.81¾—2	4.80⅝— ⅞	4.79 — ½	4.80½— ⅝
" Docu'tary for paym't.	4.82¼— 3⅛	4.81¼— 2½	4.80¾— 1¾	4.79 —80¼	4.80 —80¾
Paris—Cable transfers	5.16⅞— ¼	5.17½—	5.18⅛—17⅛	5.20⅝— 1/16	5.18¾—
" Bankers' 60 days	5.19⅝—18¾	5.20⅝— 1/16	5.21¼—	5.23⅛—	5.22½—21⅞
" Bankers' sight	5.16⅞—	5.18⅛—	5.18¾—18⅛	5.21¼— 20⅝	5.19⅜—
Swiss—Bankers' sight	5.16⅞—	5.18⅛—	5.19⅜—	5.21¼—	5.20 3/32— 1/32
Berlin—Bankers' 60 days	94⅞— 13/16	94 11/16— 13/16	94 3/16— ⅜	93 15/16—94	94¼— ⅝
" Bankers' sight	95 7/16—	95 5/16—	94⅞— 15/16	94½— 9/16	94 15/16—
Belgium—Bankers' sight	5.18⅛—17½	5.19⅜—	5.19⅜—18¾	5.21⅞— ¼	5.20 3/32— 1/32
Amsterdam—Bankers' sight	40¼— 5/16	40¼—	40¼—	40 3/16— ⅛	40⅛—
Kronors—Bankers' sight	26.83—26.86	26.79—26.82	26.71—26.73	26.59 —26.62	26.65—26.67
Italian lire—sight	5.16⅞—15⅝	5.17½—16⅞	5.17½—16⅞	5.20⅝—19⅝	5.18¾— ⅛

Silver.—The price of silver fell in London to 25d. on December 8, but later recovered nearly all its loss, and at the end of the month closed at 26⅛d., a net decline of only ⅛d.

Monthly Range of Silver in London—1901, 1902, 1903.

Month.	1901. High	1901. Low.	1902. High	1902. Low.	1903. High	1903. Low.	Month.	1901. High	1901. Low.	1902. High	1902. Low.	1903. High	1903. Low.
January	29 9/16	27⅞	26 1/16	25⅜	22⅜	21 11/16	July	28 3/16	27¾	24 9/16	24 3/16	25⅜	24¼
February	28 7/16	27⅞	25⅜	25 5/16	22 5/16	21⅞	August	28 7/16	27 13/16	24 7/16	24⅛	26¾	25 5/16
March	28 3/16	27 5/16	25 7/16	24 13/16	22 13/16	22⅛	Septemb'r	28 1/16	29¼	24⅛	23 9/16	26 7/16	26 3/16
April	27 15/16	26 13/16	24⅞	23 5/16	25 1/16	22⅝	October	30 3/16	29⅛	23 11/16	23¼	28½	27 7/16
May	27⅝	27 3/16	24⅛	23 9/16	25¼	24 5/16	Novemb'r	29 13/16	29 7/16	23¼	21¾	27⅝	26¼
June	27⅝	27¼	24 7/16	23 15/16	24 9/16	24⅛	Decemb'r	29 15/16	29½	22½	21 13/16	26⅛	25

Foreign and Domestic Coin and Bullion—Quotations in New York.

	Bid.	Asked.		Bid.	Asked.
Sovereigns & Bk. of Eng. notes	$4.85	$4.88	Mexican 20 pesos	$19.52	$19.60
Twenty francs	3.84	3.88	Ten guilders	3.95	4.00
Twenty marks	4.73	4.76	Mexican dollars	.43¼	.45½
Twenty-five pesetas	4.78	4.81	Peruvian soles	.40½	.44
Spanish doubloons	15.55	15.65	Chilian pesos	.40½	.44
Mexican doubloons	15.50	15.65			

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 26d. per ounce. New York market for large commercial silver bars, 56⅜ @ 57¾c. Fine silver (Government assay), 56½ @ 58¼c. The official price was 56¼c.

Gold and Silver Coinage.—There was $10,048,060 gold coined in December, making $43,683,970.50 for the calendar year. The silver coinage for the month was $1,567,435, and for the year $19,874,440.

COINAGE OF THE UNITED STATES.

	1901.		1902.		1903.	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
January	$12,657,200	$2,713,000	$7,660,000	$2,908,637	$7,635,178	$1,707,000
February	9,230,300	2,242,166	6,643,850	2,489,000	7,488,510	1,521,000
March	6,182,152	3,120,580	1,558	2,965,577	6,879,920	1,595,987
April	18,958,000	2,633,000	3,480,315	3,388,273	137,400	1,809,000
May	9,325,000	3,266,000	426,000	1,873,000	69,000	1,584,000
June	5,948,030	2,836,185	500,345	2,464,353	610	3,840,222
July	4,225,000	1,312,000	2,120,000	2,254,000	....	337,327
August	6,780,000	3,141,000	8,040,000	2,236,000	450,000	452,000
September	4,100,178	3,899,524	3,560,860	2,831,165	645,692	1,807,469
October	5,750,000	2,791,489	1,890,000	2,287,000	1,540,000	2,324,000
November	6,270,000	917,000	2,675,000	2,399,000	8,794,600	1,401,000
December	12,309,338	1,966,514	6,277,925	1,932,216	10,043,060	1,567,435
Year	$101,735,187	$30,838,461	$47,109,852	$29,928,167	$43,683,970	$19,874,440

EUROPEAN BANKS.—The Bank of England lost $14,000,000 gold in December, the Bank of France $7,000,000, and the Bank of Germany $10,000,000. Russia added to its store $20,000,000.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	November 1, 1903.		*Dec. 1, 1903.*		*January 1, 1904.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England	£33,418,770	....	£31,893,236	....	£28,911,873	....
France	96,714,727	£44,180,681	95,901,259	£44,363,084	94,481,568	£44,110,288
Germany	35,469,000	12,862,000	34,495,000	12,120,000	32,484,000	11,414,000
Russia	77,477,000	6,799,000	80,821,000	6,616,000	85,185,000	7,110,000
Austria-Hungary	46,186,000	12,225,000	46,536,000	12,213,000	46,485,000	12,182,000
Spain	14,520,000	19,244,000	14,516,000	18,931,000	14,545,000	19,159,000
Italy	20,485,000	2,403,300	21,090,000	3,305,100	21,316,400	3,335,000
Netherlands	4,061,400	6,337,900	4,113,800	6,363,900	4,189,000	6,541,500
Nat. Belgium	3,224,667	1,612,333	3,238,667	1,619,333	3,152,667	1,576,333
Totals	£331,551,564	£106,264,214	£332,604,962	£105,531,417	£330,750,508	£105,428,121

NATIONAL BANK CIRCULATION.—The volume of National bank notes outstanding increased $4,000,000 in December, making the increase for the year $40,000,000. Of the total $425,000,000 there is $387,000,000 based on bonds and nearly $38,000,000 on lawful money.

NATIONAL BANK CIRCULATION.

	Sept. 30, 1903.	*Oct. 31, 1903.*	*Nov. 30, 1903.*	*Dec. 31, 1903.*
Total amount outstanding	$420,426,535	$419,610,683	$421,106,979	$425,163,018
Circulation based on U. S. bonds	379,515,824	380,650,821	383,018,484	387,273,623
Circulation secured by lawful money	40,910,711	38,959,862	38,088,495	37,889,395
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	3,157,700	2,797,200	2,487,200	2,425,200
Five per cents. of 1894	858,650	718,650	718,650	356,150
Four per cents. of 1895	1,585,100	1,410,100	1,245,100	1,245,100
Three per cents. of 1898	2,229,180	1,797,580	1,707,580	1,717,580
Two per cents. of 1900	373,654,300	376,003,300	378,467,400	383,591,650
Total	$381,484,830	$382,726,830	$384,625,930	$389,335,680

The National banks have also on deposit the following bonds to secure public deposits; 4 per cents. of 1907, $4,658,200; 5 per cents. of 1894, $661,300; 4 per cents. of 1895, $11,813,550; 3 per cents. of 1898, $7,692,920; 2 per cents. of 1930, $112,495,800: District of Columbia 3.65's, 1924, $1,809,000; State and city bonds, $23,204,170; Philippine Island certificates, $6,000,000; Hawaiian Islands bonds, $1,045,000, a total of $169,379,940.

UNITED STATES PUBLIC DEBT. — There were $4,600,000 of 2 per cent. bonds issued in December, largely in exchange for the 4 per cents of 1907. Of the 5 per

cents of 1904, $1,100,000 were redeemed, leaving about $6,600,000 of these bonds yet to be retired. The aggregate debt was increased $2,600,000. The net debt less cash in the Treasury shows a reduction for the month of $11,600,000 and for the year of $33,000,000. The net cash balance including the $150,000,000 gold reserve is $379,-000,000.

United States Public Debt.

	Jan. 1, 1903.	*Nov. 1, 1903.*	*Dec. 1, 1903.*	*Jan. 1, 1904.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent	$445,940,750	$535,020,750	$538,012,650	$542,664,850
Funded loan of 1907, 4 "	233,178,650	163,507,000	161,135,800	156,818,600
Refunding certificates, 4 per cent	31,230	30,100	30,030	30,010
Loan of 1904, 5 per cent	19,385,050	10,120,350	7,754,500	6,590,500
" 1925, 4 "	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent	97,515,660	78,108,960	77,488,360	77,153,360
Total interest-bearing debt	$914,541,240	$905,277,060	$902,911,240	$901,747,220
Debt on which interest has ceased	1,255,710	1,196,930	1,196,720	1,196,530
Debt bearing no interest:				
Legal tender and old demand notes	346,734,863	346,734,863	346,734,863	346,734,863
National bank note redemption acct.	42,169,652	38,959,809	37,292,775	36,976,574
Fractional currency	6,872,594	6,871,240	6,871,240	6,870,587
Total non-interest bearing debt	$395,774,109	$392,565,913	$390,898,879	$390,582,025
Total interest and non-interest debt	1,311,574,059	1,299,039,903	1,295,006,839	1,293,525,775
Certificates and notes offset by cash in the Treasury:				
Gold certificates	383,564,069	433,198,869	441,739,869	447,175,869
Silver "	468,957,000	469,771,000	473,041,000	472,247,000
Treasury notes of 1890	24,053,000	16,874,000	16,428,000	15,906,000
Total certificates and notes	$876,574,069	$919,843,869	$931,208,869	$935,328,869
Aggregate debt	2,188,148,128	2,218,883,772	2,226,215,708	2,228,854,644
Cash in the Treasury:				
Total cash assets	1,331,081,200	1,391,066,907	1,398,957,932	1,405,621,962
Demand liabilities	966,671,820	1,012,429,504	1,029,720,503	1,026,247,067
Balance	$364,409,380	$378,637,402	$369,237,429	$379,374,895
Gold reserve	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance	214,409,380	228,637,402	219,237,429	229,374,895
Total	$364,409,380	$378,637,402	$369,237,429	$379,374,895
Total debt, less cash in the Treasury	947,164,679	920,402,501	925,769,410	914,150,880

Government Revenues and Disbursements.—The Government reports a surplus of nearly $10,500,000 for the month of December, which wipes out the previous deficits and makes a surplus for the first half of tne current fiscal year of $8,425,000. The surplus in the six months ended December, 1902, was nearly $25,000,000. The receipts this year have fallen off $11,000,000 and expenses have increased $5,500,000.

United States Treasury Receipts and Expenditures.

Receipts.			Expenditures.		
Source.	*December, 1903.*	*Since July 1, 1903.*	*Source.*	*December, 1903.*	*Since July 1, 1903.*
Customs	$19,815,880	$133,799,486	Civil and mis	$8,818,507	$67,149,981
Internal revenue	20,227,156	122,723,978	War	4,475,271	62,127,307
Miscellaneous	2,704,556	21,314,008	Navy	7,673,917	49,794,725
			Indians	723,504	5,556,241
			Pensions	10,307,935	72,809,155
Total	$42,747,592	$277,837,472	Interest	256,670	11,974,200
Excess of receipts	10,491,788	8,425,863	Total	$32,255,804	$269,411,609

Money in the United States Treasury.—The total amount of money in the Treasury has increased to nearly $1,200,000,000 against which are outstanding nearly $903,000,000 of certificates and Treasury notes, leaving the net amount belonging to the Government at about $297,000,000.

Money in the United States Treasury.

	Jan. 1, 1903.	*Nov. 1, 1903.*	*Dec. 1, 1903.*	*Jan. 1, 1904.*
Gold coin and bullion	$617,196,083	$660,538,606	$671,082,644	$686,651,991
Silver dollars	470,783,167	479,876,005	477,655,784	477,594,756
Silver bullion	23,057,667	13,616,046	12,711,491	11,579,510
Subsidiary silver	6,419,206	7,851,871	8,106,009	8,306,927
United States notes	2,910,158	5,719,673	2,387,365	3,408,578
National bank notes	16,251,253	10,872,165	8,141,361	12,009,829
Total	$1,136,617,534	$1,177,974,366	$1,180,084,654	$1,199,551,591
Certificates and Treasury notes, 1890, outstanding	833,909,877	880,789,518	886,953,291	902,745,162
Net cash in Treasury	$302,707,657	$297,184,858	$293,131,363	$296,806,429

Money in Circulation in the United States.—The estimated circulation of the country at the close of the year was $2,466,000,000 or $30.38 per capita. There was an increase of $17,000,000 in December and of $117,000,000 during the year. The increase per capita since January 1, 1903, has been nearly $1.00.

Money in Circulation in the United States.

	Jan. 1, 1903.	*Nov. 1, 1903.*	*Dec. 1, 1903.*	*Jan. 1, 1904.*
Gold coin	$629,680,632	$621,753,297	$627,025,092	$627,970,533
Silver dollars	78,310,334	78,916,739	80,799,960	81,573,223
Subsidiary silver	94,350,669	96,235,458	97,130,806	97,631,352
Gold certificates	346,418,819	401,646,299	404,070,929	421,080,019
Silver certificates	463,570,632	462,363,039	466,501,082	465,830,290
Treasury notes, Act July 14, 1890	23,920,426	16,780,175	16,381,280	15,828,853
United States notes	343,770,858	340,961,343	344,293,651	343,272,438
National bank notes	368,678,531	408,738,518	412,965,618	413,153,189
Total	$2,348,700,901	$2,427,394,868	$2,449,168,418	$2,466,345,897
Population of United States	79,799,000	80,946,000	81,061,000	81,177,000
Circulation per capita	$29.43	$29.99	$30.21	$30.38

Supply of Money in the United States.—The total stock of money in the country increased about $21,000,000 in December of which $16,500,000 was in gold. In the year 1903 the increase in all kinds of money was about $112,000,000 of which $68,000,000 was gold.

Supply of Money in the United States.

	Jan. 1, 1903.	*Nov. 1, 1903.*	*Dec. 1, 1903.*	*Jan. 1, 1904.*
Gold coin and bullion	$1,246,876,715	$1,282,291,903	$1,298,107,736	$1,314,622,524
Silver dollars	549,093,501	558,292,744	558,455,744	559,167,979
Silver bullion	23,057,667	13,616,046	12,711,491	11,579,510
Subsidiary silver	100,769,875	104,087,829	105,236,815	105,958,279
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	384,929,784	419,610,683	421,106,979	425,163,018
Total	$2,651,406,558	$2,724,579,721	$2,742,299,781	$2,763,152,326

United States Foreign Trade.—The large export movement in cotton made the total exports in November exceed in value $160,000,000. the largest total ever recorded for that month. The increase over November, 1902, is $35,000,000 and nearly $33,000,000 of this gain was in cotton exports. Imports of merchandise fell off in November and were the smallest for any month since June, 1902. The total value was $77,000,000, making the net exports exceed $83,000,000.

Exports and Imports of the United States.

Month of November.	Merchandise. Exports.	Imports	Balance.	Gold Balance.	Silver Balance.
1898	$127,797,965	$52,096,828	Exp., $77,701,187	Imp., $4,411,134	Exp., $1,753,820
1899	123,755,911	70,098,931	" 53,656,980	" 2,639,733	" 1,567,246
1900	136,702,324	65,354,040	" 71,348,284	" 11,964,781	" 1,577,828
1901	136,455,639	72,566,307	" 63,889,332	Exp., 8,860,822	" 1,892,769
1902	125,200,618	85,386,170	" 39,814,448	Imp., 5,261,412	" 1,563,905
1903	160,455,590	77,061,806	" 83,393,784	" 10,367,193	" 3,511,336
Eleven Months.					
1898	1,117,695,672	579,825,309	Exp., 537,870,363	Imp., 134,431,454	Exp., 22,047,479
1899	1,152,199,938	728,243,567	" 423,966,371	" 12,192,818	" 19,943,413
1900	1,332,056,242	760,452,507	" 571,603,735	" 9,638,383	" 21,880,839
1901	1,328,434,321	800,490,639	" 527,943,682	Exp., 1,069,458	" 22,556,727
1902	1,212,693,530	874,959,883	" 337,733,647	Imp., 8,829,202	" 20,024,430
1903	1,310,120,326	917,782,381	" 392,337,945	" 5,144,873	" 12,223,836

Currency Reform for Mexico.—A plan for reforming the currency has been prepared by the Fifth Sub-Committee of the National Monetary Commission. The committee advises that in order to obtain stability or fixity of international exchange the Government should be advised by a monetary commission to adopt a monetary system based on the gold standard. The committee does not recommend immediate adoption of the gold standard, but rather creating a system very similar to that which the United States Government has put in operation in the Philippines. The broad features of the plans are as follows:

"New dollars are to be coined and introduced into circulation without impairing the practical maintenance of their parity with gold with a ratio that may be adopted. The Government is to close the mints to the free coinage of silver dollars, and reimportation of the present pesos is to be prohibited. It is recommended that the ratio of the new dollar to gold shall be established on the basis of the average gold price of the Mexican pesos in the foreign markets during the last ten years, with an increase not exceeding ten per cent.

Gold coinage to be suspended until such time as the silver dollars shall have attained a parity with gold, and when the circulation of gold coins will not, in the opinion of the Government, impair the maintenance of that parity. The new dollars for a specified time are to be exchanged for pesos at par.

A reserve fund in either gold or silver is to be created and maintained either in the republic or abroad. If the gold price of silver in foreign markets shall rise so that silver dollars shall come to possess a value equal or greater than ascribed to them by the legal ratio adopted, steps will be taken to demonetize the silver dollars and to introduce a gold standard with free coinage and the use of the yellow metal as the medium of circulation."

Currency System for China.—The monetary committee appointed by the Government of Japan to consider the proposals of the American committee for a uniform system, based upon the gold exchange standard for China, has made a report cordially approving the position taken by the American commission. The conclusions of the Japanese committee are as follows:

"Whereas the chaotic condition of the currency such as now exists in China, namely, a condition under which there is no currency in the strict sense of the term, is highly disadvantageous, not to China alone, but also to those countries that have commercial relations with her, it is the earnest desire of the committee that a definite and uniform currency system be speedily instituted and actually put into operation throughout the whole Empire of China, or, at all events, in such parts of it as are of commercial importance.

If possible it is desirable that the currency system mentioned above should be on a single gold standard. But in view of the present condition of China it is too much to expect that the currency reform can be started at once on a perfect system, and as it is considered highly disadvantageous to delay the said reform on that account, it is advisable to adopt the suggestions of the American committee as a matter of expediency. But it must be admitted that utmost skill and care are needed to overcome the great difficulties which necessarily accompany the operation of the system.

It is considered desirable that the ratio of 32 to 1 between gold and the silver coins should be adopted for other silver-using countries that may hereafter adopt the gold standard."

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of December, and the highest and lowest during the year 1903, by dates, and also, for comparison, the range of prices in 1902:

	YEAR 1902.		HIGHEST AND LOWEST IN 1903.		DECEMBER, 1903.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	95⅝	74¼	89⅞ – Jan. 10	54 – Aug. 10	70¼	66⅛	70
" preferred............	106⅛	95⅛	103⅛ – Jan. 10	84⅝ – Aug. 10	93⅛	90⅛	90⅝
Baltimore & Ohio............	118⅛	95⅝	104 – Jan. 9	71⅝ – Sept. 28	80⅞	76⅛	79¾
Baltimore & Ohio, pref........	99	92	96¾ – Feb. 11	82¾ – July 25	90	87⅛	90
Brooklyn Rapid Transit......	72⅜	54¾	71⅛ – Feb. 17	29½ – Sept. 28	55	39⅜	52⅛
Canadian Pacific..............	145¼	112¼	138¾ – Feb. 10	115⅝ – Oct. 14	120⅛	117¼	119
Canada Southern..............	97	71	78½ – Jan. 5	57½ – Sept. 24	68½	65	68
Central of New Jersey........	198	165	190 – Jan. 19	153 – Oct. 17	164½	156	161½
Ches. & Ohio vtg. ctfs.........	57⅛	45⅝	53⅝ – Feb. 10	27¼ – Nov. 13	34¼	30⅝	33¾
Chicago & Alton...............	45⅜	29⅛	37¼ – Jan. 5	18½ – Sept. 28	36	32⅞	34⅜
" preferred.............	79	68	75⅛ – Dec. 31	60 – Sept. 29	75⅛	68⅛	75⅛
Chicago, Great Western......	35	22	29⅝ – Jan. 9	13 – Aug. 6	16⅝	15¼	16⅛
Chic., Milwaukee & St. Paul..	198¾	160½	183¼ – Jan. 7	133¼ – Aug. 8	147⅝	138⅞	146⅛
" preferred............	200¾	186	194¼ – Jan. 9	168 – Aug. 10	177¼	171⅞	177¼
Chicago & Northwestern......	271	204⅛	224½ – Jan. 14	153 – Sept. 28	171⅛	163⅛	169
" preferred............	274½	230	250 – Jan. 7	190 – Aug. 8	212	209	210
Chic., St. Paul, Minn. & Om...	170½	140	162 – Jan. 19	117 – July 14	148	121	148
" preferred............	210	194⅞	194 – Jan. 5	190 – May 10	180	172	180
Chicago Terminal Transfer...	24⅞	15	19⅞ – Jan. 9	8 – Sept. 29	9¾	8	9
" preferred............	44	29	36 – Jan. 8	15 – Sept. 24	19¼	17½	19
Clev., Cin., Chic. & St. Louis..	106⅜	93	99⅜ – Jan. 6	66 – Aug. 10	80	73	80
Col. Fuel & Iron Co...........	110½	73¾	82½ – Jan. 6	24 – Nov. 30	33	24⅛	30
Colorado Southern............	35¾	14⅛	31⅜ – Jan. 7	10 – July 24	16¼	13	16
" 1st preferred........	79½	59¼	72 – Jan. 9	44½ – Aug. 8	55½	51½	55½
" 2d preferred........	53⅞	28	48 – Jan. 8	17 – Aug. 5	24¾	21¼	24½
Consolidated Gas Co..........	230¾	205	222 – Jan. 7	164 – Aug. 10	196½	178	194⅛
Delaware & Hud. Canal Co....	184½	153½	183½ – Feb. 2	149 – Aug. 10	171½	156¾	167
Delaware,-Lack. & Western..	297	231	276½ – Jan. 8	230 – July 24	272	239	269
Denver & Rio Grande.........	51¾	35⅛	43 – Feb. 9	18 – Oct. 12	23	21	20¾
" preferred............	96¾	86⅛	90½ – Feb. 9	62 – Nov. 13	73½	67⅞	70
Erie............................	44⅝	28⅜	42⅝ – Jan. 9	23 – Aug. 8	30⅝	27⅛	29⅜
" 1st pref...................	75¾	60½	74 – Feb. 5	62⅛ – Apr. 13	69¼	66⅞	68½
" 2d pref...................	63¾	41½	64⅞ – Feb. 5	44 – July 24	51½	48½	50½
Evansville & Terre Haute....	74⅜	50	72½ – Jan. 8	30½ – July 27	....	....	....
Express Adams................	240	198	235 – Feb. 11	214 – Mar. 10	225	220	225
" American............	265	210	235 – Feb. 5	171 – Aug. 10	200	183	200
" United States........	160	97	150¼ – Feb. 4	95 – Aug. 8	117	101	117
" Wells, Fargo.........	251	185	249½ – Feb. 6	191 – July 14	210	197½	210
Great Northern, preferred....	203	181½	209 – Jan. 22	160 – Oct. 12	....	....	....
Hocking Valley...............	106	66	106½ – Feb. 20	63 – Sept. 25	74⅞	71	72¼
" preferred............	98⅜	81⅛	99¼ – Mar. 2	77 – Oct. 19	85¾	83⅛	84
Illinois Central...............	173½	137	151 – Jan. 10	125⅛ – July 15	132	128¾	131⅜
Iowa Central..................	51¾	37½	48 – Jan. 12	16 – July 27	23	20½	20¾
" preferred............	90⅜	65	77⅜ – Jan. 12	30½ – Oct. 12	41	37	38
Kansas City Southern.........	39	19	36¼ – Jan. 12	16½ – Oct. 8	20¼	18½	19½
" preferred............	63¾	44	61¼ – Jan. 22	29 – Oct. 8	36½	34	35⅝
Kans. City Ft. S. & Mem. pref..	88	75	82¾ – Feb. 26	62¼ – Oct. 12	68½	65	68
Lake Erie & Western..........	71½	40	53 – Jan. 8	23½ – Nov. 12	32	27	32
" preferred............	138	120	118 – Feb. 6	89 – Nov. 24	96	96	96
Long Island....................	91⅞	72⅛	83 – Jan. 7	49 – Dec. 8	55½	49	55½
Louisville & Nashville........	159½	102⅛	130½ – Jan. 8	95 – Sept. 28	110½	105⅛	109⅞
Manhattan consol.............	158	128	155½ – Jan. 14	126¼ – Sept. 28	145½	139⅛	144
Metropolitan Street...........	174	135	142⅞ Jan. 6	99⅞ – Sept. 29	126	116⅞	124⅛
Mexican Central..............	31⅛	20⅝	29 – Mar. 23	8½ – Nov. 6	10¾	9½	10
Minneapolis & St. Louis.......	115	105	110 – Jan. 9	41 – Oct. 12	64	58	62¾
" preferred............	127¾	118½	118 – Feb. 27	83 – Nov. 16	96	89	96
Missouri, Kan. & Tex.........	35¾	22½	30½ – Jan. 5	15½ – Oct. 19	18⅜	17¼	17½
" preferred.......	69¾	51	63½ – Feb. 10	33 – Oct. 12	41¼	38	40⅜
Missouri Pacific..............	125½	96¾	115⅞ – Feb. 10	85¾ – Aug. 10	97	90½	93¾
N. Y. Cent. & Hudson River..	168⅞	147	156 – Jan. 10	112⅝ – July 15	122	116⅛	119¾
N. Y., Chicago & St. Louis....	57⅝	40	45 – Jan. 7	19½ – Sept. 28	29	24½	28½
" 2d preferred.........	100	80	87 – Jan. 19	50 – Sept. 28	65	60	65
N. Y., Ontario & Western.....	37⅝	25¼	35¼ – Feb. 5	19 – Sept. 28	23⅜	20½	22⅝

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1902.		Highest and Lowest in 1903.		December, 1903.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Norfolk & Western	78⅛	55	76¼—Feb. 10	53¾—Nov. 12	59⅝	56	57⅞
" preferred	98	90	93½—Feb. 2	85 —Aug. 10	88	87½	87½
North American Co.	134	88	124½—Jan. 7	68 —Sept. 28	85	74	84¼
Pacific Mail	49⅝	37	42¾ - Jan. 7	17 —Aug. 6	27⅛	24¾	26⅞
Pennsylvania R. R.	170	147	157⅞—Jan. 10	110¾—Nov. 12	120¼	114⅛	119
People's Gas & Coke of Chic.	109⅛	98¼	108⅜—Feb. 10	87¾—Sept. 28	99⅛	94¼	98¼
Pullman Palace Car Co.	250	215	235¾—Jan. 14	196 —July 15	218¾	215	218
Reading	78⅛	52¼	69¼—Jan. 2	37⅛—Nov. 16	47¼	40¾	45⅛
" 1st prefered	90¼	79⅞	89⅞—Feb. 5	73 —Sept. 28	78¾	75¼	77⅞
" 2d preferred	80⅞	60	81 —Jan. 6	55¾—Nov. 17	61⅛	58	61
Rock Island	50⅛	32⅛	53⅝—Jan. 9	19⅛—Aug. 6	27¼	22¾	24¼
" preferred	85⅛	71	86 —Jan. 9	55¾—Sept. 28	64	58¼	62
St. Louis & San Francisco	85⅛	53¾	90⅛—Feb. 24	56 —July 25	....	....	....
" 1st preferred	90	77	88 —Feb. 20	68 —Aug. 18	....	....	....
" 2d preferred	80⅝	65⅛	78 —Feb. 24	39 —Dec. 24	46¾	39	42⅝
St. Louis & Southwestern	39	24⅛	30 —Jan. 7	12 —Aug. 6	14⅝	13	14¼
" preferred	80	55¼	66 —Jan. 7	24 —Aug. 10	34¾	32	34
Southern Pacific Co.	81¼	56	68¼—Mar. 19	38⅝—Sept. 28	50¾	45¾	49⅞
Southern Railway	41⅝	28	36⅞—Jan. 9	16⅛—Oct. 12	21¾	19¾	20⅝
" preferred	98⅛	89¾	96 —Feb. 9	69½—Oct. 12	80	76⅝	79
Tennessee Coal & Iron Co.	74⅝	49⅛	68¾—Mar. 21	25⅞—Nov. 10	39⅞	28⅛	38¾
Texas & Pacific	54¾	37	43⅜—Feb. 10	20¼—Aug. 10	26¾	24⅛	25¾
Toledo, St. Louis & Western	33¼	18⅛	31⅞—Jan. 9	15 —Sept. 21	26	20¾	25
" preferred	49¾	35	48 —Jan. 8	24 —Sept. 29	40	32⅛	33⅛
Union Pacific	113¼	93⅛	104⅝—Jan. 9	65¼—Aug. 8	81	74⅛	80⅛
" preferred	95	86⅝	95¼—Feb. 11	83⅛—Aug. 10	89	85⅛	89
Wabash R. R.	38¾	21¾	32¾—Feb. 27	16⅝—Oct. 12	20¾	19⅝	20¼
" preferred	54⅛	37	55¼—Feb. 24	27⅛—Sept. 28	38¼	34¾	37¾
Western Union	97⅛	84¾	93 —Jan. 14	80¼—Sept. 28	89	85⅛	86⅛
Wheeling & Lake Erie	30¼	17	27⅛—Feb. 9	12 —July 24	18	15¼	17¼
" second preferred	42⅜	28	38⅛—Feb. 10	20 —Sept. 28	26¾	24⅛	26
Wisconsin Central	31	19⅛	29¼—Feb. 9	14⅛ Oct. 14	17⅛	16⅝	17
" preferred	57⅜	39⅛	55½—Feb. 6	38 —Nov. 13	39⅛	37¼	38½
"INDUSTRIAL"							
Amalgamated Copper	79	53	75⅝ -Mar. 12	33⅝—Oct. 15	52⅝	39	51⅞
American Car & Foundry	37⅝	28¼	41¾—Jan. 19	17¼—Nov. 25	20¾	18⅛	20⅝
" pref.	93⅜	85¼	93 —Jan. 6	60⅛—Nov. 25	69½	64½	69
American Co. Oil Co.	57¾	30⅛	46¼—Feb. 20	25¼—Aug. 6	31⅜	29½	30
American Ice	31⅞	9⅛	11⅞—Jan. 31	4 —Oct. 8	9⅛	7⅝	9
American Locomotive	36⅞	23⅛	31⅝—Feb. 17	10⅛—Oct. 15	19⅞	14¼	18¼
" preferred	100¼	89	95¾—Feb. 17	67⅛—Oct. 15	79⅞	73¾	77
Am. Smelting & Refining Co.	49⅝	36⅞	52⅞—Feb. 17	36¾—Oct. 16	51	44	49⅛
" preferred	100⅛	87⅛	99⅛—Feb. 16	80¼—Oct. 15	93¼	88	90¾
American Sugar Ref. Co.	135⅛	113	134⅜—Jan. 8	107⅛—Oct. 12	128½	121	127⅞
Anaconda Copper Mining	146	80	125½—Feb. 25	58 —Oct. 23	82	64¼	79½
Continental Tobacco Co. pref.	126⅛	114	119 —Jan. 2	94¾—Aug. 6	104¾	102	103
Corn Products	38⅜	27	35 —Mar. 23	15⅛—Nov. 24	19⅝	16⅝	17¼
" preferred	90	79⅝	85⅛—Jan. 19	60 —Nov. 25	69½	65	65⅝
Distillers securities	33	27	34¾—Jan. 6	20 —July 24	25⅛	21¾	24
General Electric Co.	334	170	204 —Feb. 16	136 - Sept. 28	180	155⅛	176
International Paper Co.	23⅝	16⅛	19⅞—Jan. 5	9 —July 28	12	10⅛	11¼
" preferred	77⅛	70	74¼—Feb. 6	57½—Nov. 25	66	61½	65
International Power	199	49	73 —Jan. 19	23 —Nov. 19	45	25	26
National Biscuit	53¼	40	47⅝—Feb. 17	32 —Oct. 15	37⅛	35	37¼
National Lead Co.	32	15⅜	29½—Feb. 5	10⅛—Nov. 16	17¼	13½	15⅛
Pressed Steel Car Co.	63⅛	39	65¾—Jan. 26	22½—Nov. 25	33½	24⅛	31
" preferred	96⅛	82¾	95 —Feb. 20	62½—Nov. 25	70	65	70
Republic Iron & Steel Co.	24¾	15⅝	22⅝—Feb. 18	5⅝—Nov. 27	7⅝	6	7⅝
" preferred	83⅜	68	80⅜—Feb. 18	36¾—Nov. 27	43¼	38	42
Rubber Goods Mfg. Co.	25⅜	17¼	30 —Feb. 16	12 —July 25	19⅛	15⅝	18½
" preferred	74	63	84½—Feb. 17	60 —July 25	77	70	75
U. S. Leather Co.	15¼	10⅛	15¼—Feb. 11	6 —Sept. 28	8	7	7⅝
" preferred	91¼	79⅞	96¾—May 12	71⅛—Oct. 15	78⅝	75¼	76
U. S. Realty & Con	32	20	28⅛—Jan. 2	4 —Dec. 17	7⅞	4	7
U. S. Rubber Co.	19⅝	14	19⅛—Feb. 10	7 —July 27	12¼	9	12
" preferred	64	49⅛	58 —Feb. 10	30¼—July 27	41⅞	37⅛	41
U. S. Steel	46¾	29¾	39⅞—Feb. 5	10 —Nov. 10	12⅞	10	12⅛
" pref.	97¾	79	89¾—Jan. 7	49¾—Nov. 10	59	51⅝	57⅞

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

Last Sale, Price and Date and Highest and Lowest Prices and Total Sales for the Month.

Note.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int's Paid.	Last Sale. Price.	Last Sale. Date.	December Sales. High.	December Sales. Low.	December Sales. Total.
Ann Arbor 1st g 4's	1995	7,000,000	Q J	93¼	Dec. 23,'03	93¼	91⅛	33,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	138,155,000	A & O	99½	Dec. 31,'03	100⅛	99⅛	995,500
" registered		....	A & O	99¼	Dec. 31,'03	100⅛	99¼	22,000
" adjustment, g. 4's	1995	25,616,000	NOV	88	Dec. 31,'03	88	87	113,000
" registered		....	NOV	75	July 25,'03	....	....	....
" stamped	1995	26,112,000	M & N	87⅛	Dec. 31,'03	88	86¾	47,500
" serial debenture 4's—								
" series B	1904	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series C	1905	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series D	1906	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series E	1907	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series F	1908	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series G	1909	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series H	1910	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series I	1911	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series J	1912	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series K	1913	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series L	1914	2,500,000	F & A	92⅞	Nov. 10,'02	....	....	....
" registered		....	F & A	....	....	....	....	....
" East.Okla.div.1stg.4's	1928	5,645,000	M & S	93½	Dec. 21,'03	93½	93½	3,000
" " registered		....	M & S	....	....	....	....	....
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S	....	....	....	....	....
Atl. Knox. & Nor. Ry. 1st g. 5s	1946	1,000,000	J & D	114½	Oct. 8,'02	....	....	....
Atlan.Coast LineR.R.Co.1stg.4's	1952	35,844,000	M & S	93	Dec. 31,'03	93¾	92¾	372,000
" registered			M & S	....	....	....	....	....
Charleston& Savannah 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'99	....	....	....
Savanh Florida & W'n 1st g. 6's	1934	4,056,000	A & O	125⅛	Nov. 30,'03	....	....	....
" 1st g. 5's	1934	2,444,000	A & O	112	Mar. 17,'99	....	....	....
" St.John'sdiv.1stg.4's	1934	1,350,000	J & J	95¼	Nov. 30,'01	....	....	....
Alabama Midland 1st gtd g. 5's	1928	2,800,000	M & N	111	Apr. 20,'03	....	....	....
Brunswick & W'n 1st gtd. g. 4's	1938	3,000,000	J & J	87	Aug. 22,'01	....	....	....
Sil.Sps Oc.& G.RR.&ld g.gtd g.4s	1918	1,067,000	J & J	91⅛	Oct. 30,'03	....	....	....
Balt. & Ohio prior lien g. 3½s	1925	71,798,000	J & J	96	Dec. 30,'03	96	94⅝	196,000
" registered			J & J	94⅛	Jan. 12,'03	....	....	....
" g. 4s	1948	69,963,000	A & O	101	Dec. 31,'03	101	100⅛	535,000
" g. 4s. registered			A & O	99¾	Oct. 7,'03	....	....	....
" ten year c. deb. g. 4's	1911	592,000	M & S	94	Nov. 23,'03	....	....	....
Pitt Jun. & M. div. 1st g. 3½s.	1925	11,293,000	M & N	87⅛	Nov. 27,'03	....	....	....
" registered			QFeb	....	....	....	....	....
Pitt L. E. & West Va. System refunding g 4s	1941	20,000,000	M & N	94⅛	Dec. 29,'03	94⅛	93⅝	104,000
" Southw'n div. 1st g. 3½s.	1925	43,590,000	J & J	89⅞	Dec. 31,'03	89⅞	88¾	514,000
" registered			Q J	90¼	July 16,'01	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	114¼	June 27,'02	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1908	1,009,000	M & S	109¾	Oct. 28,'03	....	....	....
Ptsbg Clev. & Toledo, 1st g. 6's	1922	515,000	A & O	107⅛	Oct. 26,'93	....	....	....
Pittsburg & Western, 1st g. 4's	1917	688,000	J & J	98	Aug. 1,'03	....	....	....
" J. P. Morgan & Co. cer		1,921,000	......	100¼	Feb. 13,'03	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,427,000	M & S	113⅛	Dec. 10,'03	113⅛	113⅛	3,000
Alleghany & Wn. 1st g. gtd 4's	1998	2,000,000	A & O	....	....	....	....	....
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	128	June 6,'02	....	....	....
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	124¼	June 22,'03	....	....	....
" cons. 1st 6's,	1922	3,920,000	J & D	122⅛	Nov. 6,'03	....	....	....
[illegible]. & Susq. 1st refundg g. 4's	1951	3,309,000	J & J	103	June 16,'02	....	....	....
" registered			F & J	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name. Principal Due	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	December Sales. High.	December Sales. Low.	December Sales. Total.
Burlington, Cedar R. & N. 1st 5's, 1906	6,500,000	J & D	101⅝	Dec. 31,'03	102½	101¼	27,500
" con. 1st & col. tst 5's. 1934	11,000,000	A & O	120¼	May 8,'03	....	....	....
" registered........		A & O	120½	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's. 1921	1,905,000	A & O	118	Jan. 27,'02	....	....	....
Minneap's & St. Louis 1st 7's, g, 1927	150,000	J & D	40	Aug. 21,'95	....	....	....
Canada Southern 1st int. gtd 5's, 1908	14,000,000	J & J	105	Dec. 31,'03	105	104½	84,000
" 2d mortg. 5's........1913	6,000,000	M & S	107	Dec. 30,'03	107	106	45,000
" registered........		M & S	107	Aug. 14,'03	....	....	....
Central Branch U. Pac. 1st g. 4's. 1948	2,500,000	J & D	92	June 4,'03	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's, 1987	4,880,000	M & N	108½	Nov. 14,'03	....	....	....
Central R'y of Georgia, 1st g. 5's. 1945	7,000,000	F & A	117	Dec. 29,'03	117	117	5,000
" registered $1,000 & $5,000		F & A	....		....	....	....
" con. g. 5's........1945	16,700,000	M & N	104	Dec. 30,'03	104	103½	115,000
" con. g. 5's, reg. $1,000 & $5,000		M & N	105½	Sept. 18,'01	....	....	....
" 1st. pref. inc. g. 5's......1945	4,000,000	OCT 1	70	Dec. 23,'03	70	64¾	110,000
" 2d pref. inc. g. 5's......1945	7,000,000	OCT 1	31	Dec. 28,'03	31½	28	162,000
" 3d pref. inc. g. 5's......1945	4,000,000	OCT 1	21	Dec. 31,'03	21	18	150,000
" Chat. div. pur. my. g. 4's. 1951	1,840,000	J & D	92	Aug. 21,'02	....	....	....
" Macon & Nor. Div. 1st g. 5's........1946	840,000	J & J	108¾	Sept. 3,'02	....	....	....
" Mid. Ga. & Atl. div. g 5s. 1947	413,000	J & J	102	June 29,'99	....	....	....
" Mobile div. 1st g. 5's....1946	1,000,000	J & J	103	July 2,'03	....	....	....
Central of New Jersey, gen. g. 5's........1987	45,091,000	J & J	130⅝	Dec. 30,'03	131	129⅝	45,000
" registered........		Q J	128¾	Dec. 29,'03	129	128	57,000
Am. Dock & Improvm't Co. 5's, 1921	4,987,000	J & J	112½	Dec. 22,'03	112½	112½	1,000
Lehigh & H. R. gen. gtd g. 5's..1920	1,062,000	J & J	....		....	....	....
Lehigh & W.-B. Coal con. 5's...1912	2,691,000	Q M	105	Dec. 8,'03	105	105	2,000
" con. extended gtd. 4½'s. 1910	12,175,000	Q M	100	Dec. 29,'03	100½	99⅛	41,000
N.Y. & Long Branch gen. g. 4's. 1941	1,500,000	M & S	....		....	....	....
Ches. & Ohio 6's, g., Series A......1908	2,000,000	A & O	110½	July 22,'03	....	....	....
" Mortgage gold 6's......1911	2,000,000	A & O	110¾	Dec. 7,'03	110¾	110½	3,000
" 1st con. g. 5's........1939	25,858,000	M & N	115½	Dec. 31,'03	115¾	114½	66,000
" registered........		M & N	112⅞	Oct. 28,'03	....	....	....
" Gen. m. g. 4½'s........1992	36,073,000	M & S	102½	Dec. 31,'03	103	100⅞	454,000
" registered........		M & S	95	Dec. 22,'03	95	95	5,000
" Craig Val. 1st g. 5's.....1940	650,000	J & J	112	May 14,'03	....	....	....
" (R. & A. d.) 1st c. g. 4's, 1989	6,000,000	J & J	101¾	Dec. 28,'03	101¾	101½	45,000
" 2d con. g. 4's........1989	1,000,000	J & J	95	Nov. 20,'03	....	....	....
" Warm S. Val. 1st g. 5's, 1941	400,000	M & S	106½	Oct. 29,'02	....	....	....
Greenbrier Ry. 1st gtd. 4's.....1940	2,000,000	M & N	90⅝	Dec. 30,'03	90⅝	90⅝	5,000
Chic. & Alton R. R. ref. g. 3's.... 1949	29,696,000	A & O	81	Dec. 29,'03	82	81	65,000
" " registered.....		A & O	....		....	....	....
Chic. & Alton Ry 1st lien g. 3½'s. 1950	22,000,000	J & J	76½	Dec. 30,'03	76½	73	470,000
" registered........		J & J	83¾	Apr. 16,'02	....	....	....
Chicago, Burl. & Quincy:							
" Chic. & Iowa div. 5's....1905	2,320,000	F & A	104¾	Apr. 11,'19	....	....	....
" Denver div. 4's........1922	5,030,000	F & A	101	Dec. 31,'03	101¼	100¾	3,000
" Illinois div. 3½s........1949	41,000,000	J & J	94½	Dec. 23,'03	94⅝	94	45,000
" registered........		J & J	....		....	....	....
" (Iowa div.) sink. f'd 5's, 1919	2,505,000	A & O	109½	Dec. 23,'03	109½	109½	4,000
" 4's........1919	8,222,000	A & O	100¾	Nov. 6,'03	....	....	....
" Nebraska extensi'n 4's, 1927	25,627,000	M & N	105½	Dec. 11,'03	105¾	105½	12,000
" registered........		M & N	105	Dec. 2,'03	105	105	10,000
" Southwestern div. 4's..1921	2,650,000	M & S	100	July 20,'03	....	....	....
" 4's joint bonds........1921	215,196,000	J & J	93½	Dec. 31,'03	93⅞	92	1,397,000
" " registered........		Q JAN	90½	Dec. 30,'03	92	90⅛	40,000
" 5's, debentures........1913	9,000,000	M & N	105¼	Dec. 21,'03	105¼	105	8,000
Han. & St. Jos. con. 6's........1911	8,000,000	M & S	114	Dec. 23,'03	114	113¾	6,000
Chicago & E. Ill. 1st s. f'd c'y. 6's. 1907	2,989,000	J & D	105½	Dec. 12,'03	106	105½	24,000
" small bonds........		J & D	112	Apr. 2,'96	....	....	....
" 1st con. 6's. gold......1934	2,653,000	A & O	129⅝	Oct. 22,'03	....	....	....
" gen. con. 1st 5's.......1937	14,020,000	M & N	115	Dec. 30,'03	115½	114½	46,000
" registered........		M & N	119½	Apr. 13,'03	....	....	....
Chicago & Ind. Coal 1st 5's....1936	4,626,000	J & J	111	Sept. 28,'03	....	....	....
Chicago, Indianapolis & Louisville.							
" refunding g. 6's........1947	4,700,000	J & J	130¼	Dec. 31,'03	130¼	126¼	44,000
" ref. g. 5's........1947	4,142,000	J & J	108	July 24,'03	....	....	....
Louisv. N. Alb. & Chic. 1st 6's..1910	3,000,000	J & J	110½	Nov. 9,'03	....	....	3,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME.	Principal Due.	Amount.	Int'st paid.	LAST SALE. Price.	LAST SALE. Date.	DECEMBER SALES. High.	DECEMBER SALES. Low.	DECEMBER SALES. Total.
Chicago, Milwaukee & St. Paul.								
Chicago Mil. & St. Paul con. 7's,	1905	1,751,000	J & J	167	Oct. 21,'03	....	....	....
• terminal g. 5's	1914	4,748,000	J & J	111¼	Dec. 15,'03	111¼	110½	11,000
• gen. g. 4's, series A	1989	23,676,000	J & J	110⅛	Dec. 29,'03	111	110⅛	6,000
• registered			Q J	111	Dec. 8,'02	....	....	....
• gen. g. 3½'s, series B.	1989	2,500,000	J & J	98	Dec. 28,'03	98	98	6,000
• registered			J & J	....	....	....	....	....
• Chic. & Lake Sup. 5's,	1921	1,360,000	J & J	116½	Apr. 29,'03	....	....	....
• Chic. & M. R. div. 5's,	1926	3,083,000	J & J	118	Dec. 15,'03	118	118	2,000
• Chic. & Pac. div. 6's,	1910	3,000,000	J & J	111½	Sept. 17,'03	....	....	....
• 1st Chic. & P. W. g. 5's.	1921	25,340,000	J & J	116⅝	Dec. 15,'03	116⅝	116⅛	9,000
• Dakota & Gt. S. g. 5's.	1916	2,856,000	J & J	111½	Nov. 25,'03	...	....	....
• Far. & So. g. 6's assu...	1924	1,250,000	J & J	137½	July 18,'98	....	....	....
• 1st H'st & Dk. div. 7's,	1910	5,680,000	J & J	119	Dec. 11,'03	119	118⅝	2,000
• 1st 5's	1910	990,000	J & J	107⅝	Dec. 23,'03	107¾	107⅝	10,000
• 1st 7's, Iowa & D, ex,	1908	1,048,000	J & J	183	Feb. 28,'03	....	....	....
• 1st 5's, La. C. & Dav...	1919	2,500,000	J & J	113⅜	Oct. 28,'03	....	....	....
• Mineral Point div. 5's,	1910	2,840,000	J & J	105¼	July 29,'03	....	....	....
• 1st So. Min. div. 6's....	1910	7,432,000	J & J	113⅜	Dec. 23,'03	113½	112½	26,000
• 1st 6's, Southw'n div.,	1909	4,000,000	J & J	112½	Dec. 23,'03	112½	112⅜	7,000
• Wis. & Min. div. g. 5's.	1921	4,755,000	J & J	116½	Dec. 15,'03	116½	115¾	3,000
• Mil. & N. 1st M. L. 6's.	1910	2,155,000	J & D	113	Oct. 27,'03	....	....	....
• 1st con. 6's	1913	5,092,000	J & D	116	July 20,'03	....	....	....
Chic. & Northwestern con. 7's...	1915	12,832,000	Q F	131	Dec. 16,'03	131	130⅝	10,000
• extension 4's.....	1886-1926	18,632,000	F A 15	103½	Dec. 10,'03	103½	103½	25,000
• registered			F A 15	106⅜	Oct. 9,'02	....	....	....
• gen. g. 3½'s	1987	20,538,000	M & N	99	Dec. 28,'03	99½	99	80,000
• registered			Q F	103	Nov. 19,'98	....	....	....
• sinking fund 6's..	1879-1929	5,753,000	A & O	113¾	Dec. 15,'03	113¾	113¾	2,000
• registered			A & O	111½	Dec. 11,'03	111½	111½	2,000
• sinking fund 5s'..	1879-1929	6,837,000	A & O	109½	Dec. 15,'03	110	108⅞	3,000
• registered			A & O	106¾	Mar. 30,'03	....	....	....
• deben. 5's	1909	5,900,000	M & N	105⅛	Dec. 21,'03	105⅛	105	6,000
• registered			M & N	104	Sept. 8,'03	....	....	....
• deben. 5's	1921	10,000,000	A & O	110	Dec. 30,'03	110	110	3,000
• registered			A & O	114	Oct. 23,'01	....	....	....
• sinking f'd deben. 5's.	1933	9,800,000	M & N	114½	Aug. 11,'03	....	....	....
• registered			M & N	123	May 28,'01	....	....	....
Des Moines & Minn. 1st 7's.....	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Milwaukee & Madison 1st 6's...	1905	1,600,000	M & S	106	Nov. 5,'02	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	108	Oct. 9,'02	....	....	....
Ottumwa C. F. & St. P. 1st 5's..	1909	1,600,000	M & S	105⅝	Nov. 17,'03	....	....	....
Winona & St. Peters 2d 7's.....	1907	1,592,000	M & N	111¼	Dec. 23,'03	111¼	111¼	8,000
Mil., L. Shore & We'n 1st g. 6's.	1921	5,000,000	M & N	127⅞	Dec. 10,'03	127⅞	127⅞	5,000
• ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	119¾	Dec. 22,'03	119¾	119	17,000
• Ashland div. 1st g. 6's	1925	1,000,000	M & S	142½	Feb. 10,'02	....	....	....
• Michigan div. 1st g. 6's.	1924	1,281,000	J & J	131¾	Dec. 3,'03	131¾	131¾	2,000
• con. deb. 5's	1907	436,000	F & A	107½	Feb. 21,'01	....	....	....
• incomes	1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup...	1917	12,500,000	J & J	124¾	Dec. 23,'03	124¾	124¾	7,000
• registered	1917		J & J	125	Nov. 16,'03	....	....	....
• gen. g. 4's	1988	60,581,000	J & J	104	Dec. 31,'03	104	102	836,000
• registered			J & J	107	Jan. 16,'03	....	....	....
• coll. tr. ser. 4's ser. B.	1904	1,494,000	M & N	98	Aug. 18,'03	....	....	....
• C	1905	1,494,000	M & N	100¾	July 2,'02	....	....	....
• D	1906	1,494,000	M & N	....	....	....	....	....
• E	1907	1,494,000	M & N	....	....	....	....	....
• F	1908	1,494,000	M & N	....	....	....	....	....
• G	1909	1,494,000	M & N	....	....	....	....	....
• H	1910	1,494,000	M & N	99⅝	June 3,'02	....	....	....
• I	1911	1,494,000	M & N	....	....	....	....	....
• J	1912	1,494,000	M & N	....	....	....	....	....
• K	1913	1,494,000	M & N	....	....	....	....	....
• L	1914	1,494,000	M & N	....	....	....	....	....
• M	1915	1,494,000	M & N	99½	July 01,'02	....	....	....
• N	1916	1,494,000	M & N	99⅜	June 23,'20	....	....	....
• O	1917	1,494,000	M & N	....	....	....	....	....
• P	1918	1,494,000	M & N	87	Aug. 7,'03	....	....	....
Chic. Rock Is. & Pac. R.R. 4's..	2002	69,557,000	M & N	68½	Dec. 31,'03	71⅛	67¾	4,260,000
• registered			M & N	88¼	Jan. 7,'03	....	....	....
• coll. trust g. 5's	1913	17,035,000	M & S	76	Dec. 31,'03	77½	73¼	1,245,000
Choc., Okla. & Glf. gen. g. 5s....	1919	1,200,000	J & J	109	Mar. 10,'03	....	....	....
• con. g. 5's	1952	5,500,000	J & J	....	....	....	....	....
Des Moines & Ft. Dodge 1st 4's.	1905	5,411,000	J & J	95¼	Oct. 1,'03	....	....	....
• 1st 2½'s	1905	1,200,000	J & J	90	Oct. 1,'03	....	....	....
• extension 4 s		672,000	J & J	94¾	Jan. 9,'03	....	....	....
Keokuk & Des M. 1st mor. 5's..	1923	2,750,000	A & O	104½	Nov. 6,'03	....	....	....
• small bond	1923	....	A & O	107	Oct. 1,'01	....	....	....

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NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	December Sales. High.	December Sales. Low.	December Sales. Total.
Chic., St.P., Minn.& Oma.con.6's	1930	14,641,000	J & D	130½	Dec. 31,'03	131	130¼	32,000
" con.6's reduced to 3½'s	1930	2,000,000	J & D	93	Dec. 19,'03	93	92¾	5,000
Chic., St. Paul & Minn. 1st 6's	1918	1,882,000	M & N	130½	Dec. 3,'03	130½	130½	4,500
North Wisconsin 1st mort. 6's	1930	690,000	J & J	126½	Sept.23,'03	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	121½	Dec. 24,'03	121½	121¼	12,000
Chic., Term. Trans. R. R. g. 4's	1947	13,635,000	J & J	79	Dec. 28,'03	79	76	16,000
Chic. & Wn. Ind. gen'l g. 6's	1932	9,647,000	Q M	109½	Oct. 26,'03	....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	927,000	A & O	104½	Dec. 5,'03	104½	104½	5,000
" 2d g. 4½'s	1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's	1941	3,500,000	M & N	113	Dec. 22,'03	113	112¾	5,000
Clev., Cin., Chic.& St.L. gen.g. 4's	1993	17,657,000	J & D	96	Dec. 31,'03	96	95	119,000
" do Cairo div. 1st g. 4's	1939	5,000,000	J & J	101½	Oct. 8,'02	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	98	Nov.24,'03	....	....	....
St. Louis div. 1st col. trust g.4's	1990	9,750,000	M & N	99¾	Dec. 30,'03	100	99¾	36,000
" registered				103	Oct. 10,'02	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	102	Dec. 9,'02	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	94½	Aug.31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g.4's	1936	7,674,000	Q F	100	Dec. 7,'03	100	100	2,000
" registered				95	Nov. 15,'94	...	....	....
" con. 6's	1920	668,000	M & N	107½	June 30,'93	....	....	....
Cin., S'dusky & Clev. con. 1st g.5's	1928	2,571,000	J & J	112⅞	Nov.17,'03	....	....	....
Clev., C., C. & Ind. con. 7's	1914	3,991,000	J & D	120	July 28,'02	....	....	....
" sink. fund 7's	1914		J & D	119⅝	Nov.19,'89	....	....	....
" gen. consol 6's	1934	3,205,000	J & J	130	Dec. 15,'03	130	130	3,000
" registered			J & J	....	....	....	....	....
Ind. Bloom. & West. 1st pfd 4's	1940	981,500	A & O	104½	Nov.19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	98	Dec. 30,'03	98½	95½	16,000
" income 4's	1990	4,000,000	A	62	Dec. 31,'03	63	60	95,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	5,000,000	A & O	112¼	Dec. 23,'03	112¼	112¼	7,000
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	127½	Jan. 25,'02	....	....	....
" registered			Q J	....	....	....	....	....
Col. Midld Ry. 1st g. 4's	1947	8,946,000	J & J	58	Dec. 29,'03	61¾	54	66,000
Colorado & Southern 1st g. 4's	1929	18,803,000	F & A	86½	Dec. 28,'03	86½	84	103,000
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	111⅞	Dec. 18,'03	111⅞	111⅞	1,000
Morris & Essex 1st m 7's	1914	5,000,000	M & N	129½	Dec. 19,'03	129½	129½	10,000
" 1st c. gtd 7's	1915	11,677,000	J & D	130¼	Dec. 19,'03	130¼	130	16,000
" registered			J & D	140	Oct. 26,'98	....	....	....
" 1st refund.gtd.g.3½'s	2000	7,030,000	J & D	....	....	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	130½	Dec. 23,'98	130½	130½	5,000
" const. 5's	1923	5,000,000	F & A	113	Dec. 15,'03	113	113	2,000
" terml. imp. 4's	1923	5,000,000	M & N	100	Dec. 31,'03	100	100	9,000
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	109	Nov.23,'03	....	....	....
Warren Rd. 1st rfdg.gtd g.3½'s	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
" 1st Penn. Div. c. 7's	1917	5,000,000	M & S	136½	July 29,'03	....	....	....
" reg.	1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	107⅝	Dec. 29,'03	107⅝	107½	10,000
" registered			A & O	122	June 6,'99	....	....	....
" 6's	1906	7,000,000	A & O	105½	Dec. 29,'03	105½	105⅝	14,000
" registered			A & O	109½	Nov. 16,'01	....	....	....
Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	143¾	Nov.10,'02	....	....	....
" 1st r 7's	1921		M & N	147¾	June18,'03	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	33,450,000	J & J	100	Dec. 30,'03	100	99½	122,000
" con. g. 4½'s	1936	6,382,000	J & J	106⅝	May 22,'03	....	....	....
" impt. m. g. 5's	1928	8,318,500	J & D	103	Dec. 24,'03	103½	103	33,500
Rio Grande Western 1st g. 4's	1939	15,200,000	J & J	97	Dec. 28,'03	97	95½	19,000
" mge.&col.tr.g.4's ser.A.	1949	12,200,000	A & O	84	Dec. 1,'03	84	84	10,000
Utah Central 1st gtd. g. 4's	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Denv. & Southern Ry g. s. fg. 5's	1929	4,923,000	J & D	35	Dec. 19,'03	36	35	7,000
Des Moines Union Ry 1st g. 5's	1917	623,000	M & N	111	Feb. 28,'03	....	....	....
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	97	Dec. 4,'03	97	97	5,000
" g. 4s	1995	1,250,000	J & D	93	Dec. 16,'03	93	93	17,000
Detroit Southern 1st g. 4's	1951	3,866,000	J & D	75½	Aug.25,'03	....	....	....
" Ohio South. div. 1st g. 4's	1941	4,281,000	M & S	86	Nov.13,'03	....	....	....
Duluth & Iron Range 1st 5's	1937	6,732,000	A & O	110	Dec. 29,'03	111	110	5,000
" registered			A & O	101½	July 23,'89	....	....	....
" 2d l m 6s	1916	2,000,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	2,816,000	J & J	114½	Nov.12,'03	....	....	....
Elgin Joliet & Eastern 1st g 5's	1941	8,500,000	M & N	115	Oct. 29,'03	....	....	....

BOND QUOTATIONS.—Last sale, price and date highest and lowest prices and total sales for the month.

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale Price.	Last Sale Date.	December Sales. High.	December Sales. Low.	December Sales. Total.
Erie 1st ext. g. 4's	1947	2,482,000	M & N	114	May 25,'03	....	....	....
" 2d extended g. 5's	1919	2,149,000	M & S	112	Nov. 18,'03	....	....	....
" 3d extended g. 4½'s	1923	4,617,000	M & S	111⅛	Dec. 23,'03	111⅛	111⅛	4,000
" 4th extended g. 5's	1920	2,926,000	A & O	113¾	Dec. 30,'03	113¾	113⅛	13,000
" 5th extended g. 4's	1928	709,500	J & D	101⅞	June26,'03	....	....	....
" 1st cons. gold 7's	1920	16,390,000	M & S	131¼	Nov.23,'03	....	....	....
" 1st cons. fund g. 7's	1920	3,699,500	M & S	130	Aug. 7,'03	....	....	....
Erie R.R. 1st con.g-4s prior bds.	1996	34,000,000	J&J	99	Dec. 31,'03	99	98	459,000
" registered			J&J	97	May 15,'03	....	....	....
" 1st con. gen. lien g. 4s.	1996	34,385,000	J&J	86¾	Dec. 31,'03	87	84	474,000
" registered			J&J	....		....	....	....
" Penn. col. trust g. 4's.	1951	32,000,000	F & A	90⅛	Dec. 31,'03	90¾	88⅛	132,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	125⅛	June17,'03	....	....	....
Buffalo & Southwestern g. 6's	1908	1,500,000	J&J	....		....	....	....
" small			J&J	....		....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	118	Dec. 28,'03	118	116¼	20,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	106	Aug. 5,'02	....	....	....
Long Dock consol. g. 6's	1935	7,500,000	A & O	130⅛	Nov.18,'03	....	....	....
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	112⅛	Nov.30,'03	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	113⅛	Nov.25,'03	....	....	....
N. Y. & Greenw'd Lake gt g 5's	1946	1,453,000	M&N	109	Oct. 27,'98	....	....	....
" small						....	....	....
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	111	Dec. 17,'03	111	110¾	5,000
N.Y., Sus.&W. 1st refdg. g. 5's	1937	3,745,000	J & J	110⅛	Dec. 22,'03	110⅛	110	9,000
" 2d g. 4½'s	1937	447,000	F & A	99	Nov. 4,'03	....	....	....
" gen. g. 5's	1940	2,546,000	F & A	103	Dec. 21,'03	103	101¼	10,000
" term. 1st g. 5's	1943	2,000,000	M & N	110⅛	Nov.23,'03	....	...	....
" registered......$5,000 each			M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	107	Dec. 31,'03	107	107	3,000
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	116¾	Nov. 11,'03	....	....	....
" 1st General g 5's	1942	2,223,000	A & O	103	Dec. 17,'03	103	102	3,000
" Mount Vernon 1st 6's	1923	375,000	A & O	112	June 2,'02	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	95	Sept.15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	107	Dec. 17,'03	107	107	1,000
Ft. Smith U'n Dep. Co. 1st g 4½'s	1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	3,176,000	......	102¼	Dec. 31,'03	104	102¼	75,000
Ft. Worth & Rio Grande 1st g 5's	1928	2,863,000	J & J	72⅛	Dec. 29,'03	74	72	17,000
Galveston H. & H. of 1882 1st 5s	1913	2,000,000	A & O	100	Oct. 14,'03	....	....	....
Gulf & Ship Isl. 1st refg. & ter. 5's	1952	4,591,000	J & J	105	Dec. 21,'03	105	105	10,000
" registered			J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	12,139,000	J & J	106¼	Dec. 30,'03	106¼	105¾	72,000
" registered			J & J	....		....	....	....
Col. Hock's Val. 1st ext. g. 4's	1948	1,401,000	A & O	101	Nov.23,'03	....	....	....
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	114	Oct. 27,'03	....	....	....
" registered			J&J	113⅛	Mar. 12,'19	....	....	....
" 1st gold 3½'s	1951	2,499,000	J&J	99⅛	Oct. 14,'03	....	....	....
" registered			J&J	94	Mar. 28,'03	....	....	....
" extend 1st g 3½'s	1951	3,000,000	A & O	99¼	Oct. 22,'03	....	....	....
" registered			A & O	....		....	....	....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92⅛	July 13,'96	....	....	....
" registered			M & S	....		....	....	....
" total outstg....$13,950,000								
" collat. trust gold 4's	1952	15,000,000	A & O	103	Nov. 6,'03	....	....	....
" regist'd			A & O	102	Oct. 4,'03	....	....	....
" col. t. g. 4s L. N. O. & Tex.	1953	24,679,000	M & N	102¼	Dec. 29,'03	102⅛	101⅛	16,000
" registered			M & N	104⅝	May 20,'02	....	....	....
" Cairo Bridge g 4's	1950	3,000,000	J & D	106⅛	Mar. 7,'03	....	....	....
" registered			J & D	123	May 24,'99	....	....	....
" Louisville div. g. 3½'s	1953	14,320,000	J & J	94⅛	Dec. 22,'03	94⅛	94⅛	3,000
" registered			J & J	88⅛	Dec. 8,'99	....	....	....
" Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
" St. Louis div. g. 3's	1951	4,939,000	J & J	82	Dec. 17,'03	82	82	4,000
" registered			J & J	101¼	Jan. 31,'19	....	....	....
" g. 3½'s	1951	6,321,000	J & J	91¼	Oct. 10,'03	....	....	....
" registered			J & J	101⅛	Sept. 10,'95	....	....	....
" Sp'gfield div 1st g 3½'s	1951	2,000,000	J & J	100	Nov. 7,'19	....	....	....
" registered			J & J	124	Dec. 11,'99	....	....	....
" West'n Line 1st g. 4's	1951	5,425,000	F & A	108⅛	Sept.26,'03	....	....	....
" registered			F & A	101⅛	Jan.31,'91	....	....	....
Belleville & Carodt 1st 6's	1923	470,000	J & D	124	May 16,'03	....	....	....

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Carbond'e & Shawt'n 1st g. 4's,	1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's....	1951	16,555,000	J D 15	119	Nov. 10,'03	....	....	....
" gold 5's, registered........			J D 15	117	Oct. 3,'03	....	....	....
" g. 3½'s..............	1951	1,352,000	J D 15	104⅝	Apr. 11,'02	....	....	....
" registered..............			J D 15	106¼	Aug. 17,'99	....	....	....
" Memph. div. 1st g. 4's,	1951	3,500,000	J & D	102¼	Dec. 15,'03	102¼	102¼	1,000
" registered..............			J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's,	1931	538,000	M & S	101	Mar. 3,'02	....	....	....
Ind., Dec. & West. 1st g. 5's......	1935	1,824,000	J & J	107½	Sept. 11,'03	....	....	....
" 1st gtd. g. 5's..........	1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's..	1950	4,850,000	J & J	100	Dec. 29,'03	100	100	2,000
Internat. & Gt. N'n 1st. 6's, gold.	1919	10,742,000	M & N	118½	Dec. 11,'03	118⅛	118⅛	6,000
" 2d g. 5's...	1909	9,842,000	M & S	98½	Dec. 30,'03	99	98½	189,000
" 3d g. 4's..............	1921	2,730,500	M & S	70	Nov. 19,'03	....	....	....
Iowa Central 1st gold 5's.........	1938	7,650,000	J & D	109⅛	Dec. 23,'03	109⅛	108¾	11,000
" refunding g. 4's ...	1951	2,000,000	M & S	89¼	Dec. 31,'03	89¼	88	9,000
Kansas City Southern 1st g. 3's..	1950	30,000,000	A & O	70	Dec. 31,'03	70⅛	67	91,000
" registered..................			A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's...	1937	7,250,000	J & J	118	Nov. 10,'03	....	....	....
" 2d mtge. g. 5's..........	1941	3,625,000	J & J	112	Dec. 10,'03	112	112	10,000
Northern Ohio 1st gtd g 5's...	1945	2,500,000	A & O	111	Nov. 20,'03	....	....	....
Lehigh Val. (Pa.) coll. g. 5's.....	1997	8,000,000	M & N	110	Feb. 3,'02	....	....	....
" registered.....			M & N	....	....	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s.	1940	15,000,000	J&J	107¼	Dec. 23,'03	107¼	107	32,000
" registered..............		....	J&J	109½	June 18,'02	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's.	1941	10,000,000	A & O	113⅝	June 1,'03	....	....	....
" registered..................			A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's.	1933	10,014,000	J & J	109	Dec. 8,'03	109	109	1,000
" registered..............	1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's.....	1945	2,000,000	M&S	94	Dec. 24,'03	94	94	2,000
" registered..................			M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	....	....	....	....	....
" " g. gtd 5's.......	1914	1,250,000	A & O	100	Mar. 25,'99	....	....	....
Long Island 1st cons. 5's..........	1931	3,610,000	Q J	113½	Aug. 25,'03	....	....	....
" 1st con. g. 4's...........	1931	1,121,000	Q J	101	Nov. 22,'99	....	....	....
Long Island gen. m. 4's.........	1938	3,000,000	J & D	100	Dec. 16,'03	100	100	4,000
" Ferry 1st g. 4½'s.......	1922	1,494,000	M & S	100½	Nov. 17,'03	....	....	....
" g. 4's..................	1932	325,000	J & D	102½	May 5,'97	....	....	....
" unified g. 4's...........	1949	6,860,000	M & S	98¾	Dec. 10,'03	98¾	98½	2,000
" deb. g. 5's.........	1934	1,135,000	J & D	111	Jan. 22,'02	....	....	....
Brooklyn & Montauk 1st 6's....	1911	250,000	M & S	....	....	....	....	....
" 1st 5's..................	1911	750,000	M & S	105¼	Mar. 3,'03	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's, ..	1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's,	1927	883,000	M & S	112½	Jan. 10,'02	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's,	1932	1,425,000	Q JAN	112½	Apr. 9,'02	....	....	....
Louis. & Nash. gen. g. 6's.......	1930	8,584,000	J & D	116	Dec. 17,'03	116	116	12,000
" gold 5's................	1937	1,764,000	M & N	110½	Dec. 18,'03	110½	110½	1,000
" Unified gold 4's........	1940	29,677,000	J & J	100¾	Dec. 31,'03	100¾	98¾	109,000
" registered	1940		J & J	83	Feb. 27,'93	....	....	....
" collateral trust g. 5's,	1931	5,129,000	M & N	109½	Dec. 31,'03	109½	109	5,000
" E., Hend. & N. 1st 6's..	1919	1,730,000	J & D	113	Nov. 5,'03	....	....	....
" L. Cin. & Lex. g. 4½'s..	1931	3,258,000	M & N	108¼	Jan. 30,'03	....	....	....
" N.O. & Mobile 1st g. 6's..	1930	5,000,000	J & J	126¼	Dec. 3,'03	126¼	126¼	1,000
" 2d g. 6's...............	1930	1,000,000	J & J	122¾	Aug. 31,'03	....	....	....
" Pensacola div. g. 6's...	1920	580,000	M & S	116⅝	Mar. 22,'02	....	....	....
" St. Louis div. 1st g. 6's.	1921	3,500,000	M & S	125½	Aug. 12,'02	....	....	....
" 2d g. 3's...............	1980	3,000,000	M & S	75	June 20,'02	....	....	....
" H. B'ge 1st sk'fd. g 6's.	1931	1,587,000	M & S	....	....	....	....	....
" Ken. Cent. g. 4's......	1987	6,742,000	J & J	99¼	Dec. 31,'03	99¼	97⅞	10,000
" L. & N. & Mob. & Montg 1st. g. 4½s...........	1945	4,000,000	M & S	107½	June 2,'02	....	....	....
" South. Mon. joint 4's.	1952	11,827,000	J & J	90	Dec. 29,'03	90½	89½	61,000
" registered....			Q Jan	....	....	....	....	....
" N. Fla. & S. 1st g. g. 5's,	1937	2,096,000	F & A	111	Dec. 8,'03	111⅛	111	4,000
" Pen. & At. 1st g. g. 6's,	1921	2,550,000	F & A	111	Nov. 11,'03	....	....	....
" S.&N.A. con. gtd. g. 5's.	1936	3,673,000	F & A	105¼	Oct. 1,'03	....	....	....
" So. & N. Ala. si'fd. g. 6s.	1910	1,942,000	A & O	110	Mar. 23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's.	1945	3,000,000	M & S	100	Mar. 19,'01	....	....	....
Manhattan Railway Con. 4's.....	1990	28,065,000	A & O	102½	Dec. 31,'03	102⅛	101¾	144,000
" registered..................			A & O	103⅞	Dec. 17,'02	....	....	....

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			Price.	*Date.*	*High.*	*Low.*	*Total.*
Metropolitan Elevated 1st 6's....1908	10,818,000	J & J	110¼	Dec. 24,'03	110¼	109½	21,000
Manitoba Swn. Coloniza'n g. 5's, 1934	2,544,000	J & D	....	....	....	....	....
Mexican Central.							
" con. mtge. 4's...........1911	65,643,000	J & J	72	Dec. 31,'03	73	70⅛	164,000
" 1st con. inc. 3's..........1939	20,511,000	JULY	14½	Dec. 31,'03	16½	14	361,000
" 2d 3's....................1939	11,724,000	JULY	8	Dec. 30,'03	9⅜	7½	272,000
" equip. & collat. g. 5's....1917	650,000	A & O	....	....	....	....	....
" 2d series g. 5's...........1919	715,000	A & O	....	....	....	....	....
" col. trust g. 4½'s 1st se of 1907	10,000,000	F & A	92	Dec. 28,'03	93	91	46,000
Mexican Internat'l 1st con g. 4's, 1977	3,362,000	M & S	90⅝	July 29,'01	....	....	....
" stamped gtd................	3,621,000	......	....	....	....	....	....
Mexican Northern 1st g. 6's.....1910	1,061,000	J & D	....	....	....	....	....
" registered..................		J & D	105	May 2,19'	....	....	....
Minneapolis & St. Louis 1st g. 7's. 1927	950,000	J & D	142	Dec. 7,'03	142	141½	14,000
" Iowa ext. 1st g. 7's......1909	1,015,000	J & D	112⅜	Dec. 24,'03	112½	112⅜	6,000
" Pacific ext. 1st g. 6's....1921	1,382,000	J & A	123½	Apr. 29,'03	....	....	....
" Southw. ext. 1st g. 7's...1910	636,000	J & D	121	Jan. 21,'02	....	....	....
" 1st con. g. 5's............1934	5,000,000	M & N	113	Nov. 12,'03	....	....	....
" 1st & refunding g. 4's...1949	7,600,000	M & S	97	Dec. 21,'03	97	97	8,000
Minn., S. P. & S. S. M., 1st c. g. 4's. 1938	21,949,000	J & J	98	Apr. 3,'01	....	....	....
" stamped pay. of int. gtd.			....	....	....	....	....
Minneapolis & Pacific 1st m. 5's..1936	337,000	J & J	102	Mar. 26,'87	....	....	....
" stamped 4's pay. of int. gtd.			....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's. 1926	8,209,000	J & J	103	Nov. 11,'01	....	....	....
" stamped pay. of int. gtd.			89⅝	June 18,'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's. 1990	40,000,000	J & D	96⅞	Dec. 31,'03	97	95¾	121,000
" 2d mtge. g. 4's.........1990	20,000,000	F & A	78½	Dec. 30,'03	78¾	76	88,500
" 1st ext gold 5's.. 1944	2,868,000	M & N	99¼	Dec. 31,'03	99½	98½	72,000
St. Louis div. 1st refundg 4s...2001	1,852,000	A & O	86	Oct. 16,'02	....	....	....
Dallas & Waco 1st gtd. g. 5's....1940	1,340,000	M & N	101	Oct. 20,'03	....	....	....
Mo. K. & T. of Tex 1st gtd. g. 5's. 1942	3,907,000	M & S	100	Dec. 31,'03	100¾	99¼	200,000
Sher. Shrevept & So 1st gtd. g. 5's 1943	1,689,000	J & D	102½	Dec. 16,'03	102½	100	85,000
Kan. City & Pacific 1st g. 4's...1990	2,500,000	F & A	86½	Nov. 30,'03	....	....	....
Mo. Kan. & East'n 1st gtd. g. 5's. 1942	4,000,000	A & O	108⅝	Dec. 31,'03	109	107	15,000
Missouri, Pacific 1st con. g. 6's...1920	14,904,000	M & N	118¼	Dec. 23,'03	118¼	117½	54,000
" 3d mortgage 7's.......1906	3,828,000	M & N	108½	Dec. 30,'03	108½	105⅞	105,000
" trusts gold 5's stamp'd 1917	14,376,000	M & S	104⅞	Dec. 31,'03	105⅛	104⅝	92,000
" registered..................		M & S	....	....	....	....	....
" 1st collateral gold 5's. 1920	9,636,000	F & A	105¾	Dec. 30,'03	105¾	105	46,000
" registered..................		F & A	....	....	....	....	....
Cent. Branch Ry. 1st gtg. g. 4's. 1919	3,459,000	F & A	93	Dec. 16,'03	93	92½	21,000
Leroy & Caney Val. A. L. 1st 5's. 1926	520,000	J & J	100	May 1,'01	....	....	....
Pacific R. of Mo. 1st m. ex. 4's. 1938	7,000,000	M & S	101¾	Dec. 14,'03	101¾	101¾	22,000
" 2d extended g. 5's.....1938	2,573,000	F & A	113	Dec. 31,'03	113	112	9,000
St. L. & I. g. con. R.R. & l. gr. 5's 1931	36,158,000	A & O	111½	Dec. 30,'03	111¾	110¾	240,000
" stamped gtd gold 5's..1931	6,532,000	A & O	109¾	Oct. 21,'03	....	....	....
" unify'g & rfd'g g. 4's. 1929	25,726,000	J & J	86⅞	Dec. 31,'03	86⅞	85⅛	113,000
" registered..................		J & J	....	....	....	....	....
" riv & gulf divs 1st g 4s. 1933	12,242,000	M & N	91⅜	Dec. 10,'03	91⅜	91⅜	5,000
" registered..................		M & N	....	....	....	....	....
Verdigris V'y Ind. & W. 1st 5's. 1926	750,000	M & S	....	....	....	....	....
Mob. & Birm., prior lien, g. 5's...1945	374,000	J & J	109	Aug. 31,19'	....	....	....
" small......................	226,000	J & J	90	Feb. 4,'03	....	....	....
" mtg. g. 4's..............1945	700,000	J & J	93	Apr. 25,'02	....	....	....
" small......................	500,000	......	....	....	....	....	....
Mob. Jackson & Kan. City 1st g. 5's. 1946	1,882,000	J & D	102	July 25,'02	....	....	....
Mobile & Ohio new mort. g. 6's..1927	7,000,000	J & J	123¾	Dec. 31,'03	123¾	122¾	2,000
" 1st extension 6's......1927	974,000	J & D	120	Oct. 27,'03	....	....	....
" gen. g. 4's............1938	9,472,000	Q J	93	Dec. 7,'03	93	93	4,000
" Montg'ry div. 1st g. 5's. 1947	4,000,000	F & A	112	Dec. 16,'03	112	112	2,000
St. Louis & Cairo gtd g. 4's.....1931	4,000,000	M & S	93	Feb. 3,'03	....	....	....
" collateral g. 4's........1930	2,494,000	Q F	89	Dec. 24,'03	89	89	10,000
Nashville, Chat. & St. L. 1st 7's...1913	6,300,000	J & J	125	Dec. 30,'03	125	122	11,000
" 1st cons. g. 5's...........1928	7,412,000	A & O	111¼	Dec. 15,'03	111¼	111⅛	3,000
" 1st g. 6's Jasper Branch. 1923	371,000	J & J	123	Mar. 28,'01	....	....	....
" 1st 6's McM. M.W. & Al. 1917	750,000	J & J	116	July 31,'02	....	....	....
" 1st 6's T. & Pb...........1917	300,000	J & J	110	Dec. 20,'99	....	....	....
Nat. R.R. of Mex. prior lien g. 4½'s. 1926	20,000,000	J & J	102¾	Dec. 1,'03	102¾	102¾	15,000
" 1st con. g. 4's............1951	22,000,000	A & O	75	Dec. 31,'03	75⅞	74½	68,000
N. O. & N. East. prior lien g. 6's..1915	1,320,000	A & O	108½	Aug. 13,'94	....	....	....

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N.Y. Cent. & Hud. R. g. mtg. 3½s.1997	70,857,000	J & J	99¾	Dec. 31,'03	100	98¾	317,000
" " registered......		J & J	98½	Dec. 19,'03	99⅛	98½	9,000
" debenture 5's.....1884-1904	4,480,000	M & S	101¾	Dec. 31,'03	101¾	101½	11,000
debenture 5's reg..........		M & S	101¼	Nov. 25,'03	....	....	....
" reg. deben. 5's....1889-1904	639,000	M & S	103⅛	Apr. 30,'01	....	....	....
" debenture g. 4's..1890-1905	5,094,000	J & D	99¾	June 1,'03	....	....	....
" registered................		J & D	99	Dec. 12,'02	....	....	....
" deb. cert. ext. g. 4's...1905	3,581,000	M & N	99½	Dec. 15,'03	99⅛	99⅛	1,000
" registered................		M & N	99⅛	Nov. 8,'02	....	....	....
Lake Shore col. g. 3½s..........1998	90,578,000	F & A	88	Dec. 31,'03	89¼	88	150,000
" registered................		F & A	87	Dec 30,'03	88¼	86¾	69,000
Michigan Central col. g. 3½s..1998	19,336,000	F & A	87½	Dec. 30,'03	87½	87½	1,000
" registered................		F & A	91	Jan. 17,'03	....	....	....
Beech Creek 1st. gtd. 4's........1936	5,000,000	J & J	106⅛	Dec. 3,'03	106⅛	106⅛	1,000
" registered		J & J	103⅛	Nov. 14,'03	....	....	....
" 2d gtd. g. 5's...........1936	500,000	J & J	....	....	....	....	....
" registered	....	J & J	....	....	....	....	....
" ext. 1st. gtd. g. 3½'s..1951	8,500,000	A & O	....	....	....	....	....
" registered................		A & O	....	....	....	....	....
Carthage & Adiron. 1st gtd g. 4's 1981	1,100,000	J & D	....	....	....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A. 1940	716,000	J & J	95	Apr. 3,'02	....	....	....
" small bonds series B......	33,000	J & J	....	....	....	....	....
Gouv. & Oswega. 1st gtd g. 5's.1942	300,000	J & D	....	....	....	....	....
Mohawk & Malone 1st gtd g. 4's.1991	2,500,000	M & S	107⅛	July 6,19'	....	....	....
N. Jersey Junc. R. R. g. 1st 4's.1986	1,650,000	F & A	105	Oct. 10,'02	....	....	....
" reg. certificates...........		F & A	....	....	....	....	....
N.Y. & Putnam 1st con. gtd g. 4's.1993	4,000,000	A & O	105½	Nov. 15,'96	....	....	....
Nor. & Montreal 1st g. gtd 5's..1916	130,000	A & O	....	....	....	....	....
West Shore 1st guaranteed 4's.2361	50,000,000	J & J	108⅛	Dec. 29,'03	109	108⅜	67,000
" registered................		J & J	108	Dec. 22,'03	108	105½	14,000
Lake Shore g 3½s..............1997			100	Dec. 29,'03	100⅛	100	83,000
" registered................	50,000,000	J & D	99⅝	Dec. 9,'03	99⅝	99⅝	4,000
Detroit, Mon. & Toledo 1st 7's.1906	924,000	F & A	114	Feb. 6,'02	....	....	....
Kal., A. & G. R. 1st gtd c. 5's...1938	840,000	J & J	....	....	....	....	....
Mahoning Coal R. R. 1st 5's ...1934	1,500,000	J & J	121	Nov. 21,'03	....	....	....
Pitt McK'port & Y. 1st gtd 6's..1932	2,250,000	J & J	139	Jan. 21,'03	....	....	....
" 2d gtd 6's...........1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's.. 1918	600,000	J & J	....	....	....	....	....
Michigan Cent. 6's..............1909	1,500,000	M & S	111¼	Nov. 9,'03	....	....	....
" 5's......................1931	3,576,000	M & S	123½	Mar. 13,'03	....	....	....
" 5's reg..................1931		Q M	127	June 19,'02	....	....	....
" 4's......................1940	2,600,000	J & J	110	Dec. 7,'01	....	....	....
" 4's reg.....................		J & J	106½	Nov. 26,19'	....	....	....
" g. 3½'s sec. by 1st mge. on J. L. & S............	1,900,000	M & S	....	....	....	....	....
" 1st g. 3½'s.............1952	10,000,000	M & N	99½	Oct. 26,'03	....	....	....
Battle C. Sturgis 1st g. g. 3's...1989	476,000	J & D	....	....	....	....	....
N. Y. & Harlem 1st mort. 7's c..1900	12,000,000	M & N	100	Sept. 24,19'	....	....	....
" 7's registered..........1900		M & N	102¾	Apr. 6,19'	....	....	....
N. Y. & Northern 1st g. 5's.....1927	1,200,000	A & O	115	Oct. 15,'03	....	....	....
R. W. & Og. con. 1st ext. 5's...1922	2,081,000	A & O	117⅝	Dec. 17,'03	117⅝	117⅝	12,000
coup. g. bond currency..........		A & O	....	....	....	....	....
Oswego & Rome 2d gtd gold 5's.1915	400,000	F & A	113¾	Jan. 25,'02	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's.1918	375,000	M & N	....	....	....	....	....
Utica & Black River gtd g. 4's..1922	1,800,000	J & J	104	Oct. 20,'03	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's...1937	19,425,000	A & O	103¼	Dec. 31,'03	103¼	103	70,000
" registered................		A & O	103	May 14,'03	....	....	....
N. Y., N. Haven & Hartford.							
Housatonic R. con. g. 5's.......1937	2,838,000	M & N	131¾	Apr. 29,'03	....	....	....
New Haven and Derby con. 5's 1918	575 000	M & N	115½	Oct. 15,'94	....	....	....
N. Y. & New England 1st 7's....1905	6,000,000	J & J	106¼	May 14.'03	....	....	....
" 1st 6's..................1905	4,000,000	J & J	101	Sept. 8,'03	....	....	....
N.Y., Ont. & W'n. ref'ding 1st g. 4's.1992	16,937,000	M & S	101¼	Dec. 31,'03	102¼	101⅛	11,000
" registered.......$5,000 only.	....	M & S	100	Dec. 7,'03	100	100	6,000
Norfolk & Southern 1st g. 5's....1941	1,430,000	M & N	114	Feb. 4,'03	....	....	....
Norfolk & Western gen. mtg. 6's.1931	7,283,000	M & N	132	Sept. 2,'03	....	....	....
" imp'ment and ext. 6's...1934	5,000,000	F & A	127	Nov. 28,'03	127	127	6,000
" New River 1st 6's........1932	2,000,000	A & O	127	Nov. 19,'03	127½	127	4,000

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Norfolk & West. Ry 1st con. g. 4s.	1996	37,710,500	A & O	96⅞	Dec. 31, '03	97	96⅝	328,000
• registered	....		A & O	96½	Sept. 22, '03	....	....	....
• small bonds	....		A & O	....	....	....	....	....
• Pocahon C.&C.Co.jt.4's.	1941	20,000,000	J & D	89	Dec. 31, '03	89½	88	74,000
• C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	107½	July 1, '01	....	....	....
• Sci'o Val & N.E. 1st g.4's,	1989	5,000,000	J & N	98¼	Dec. 17, '03	98¼	98	19,000
N. P. Ry prior ln ry.&ld.gt.g.4's..	1997	101,392,500	Q J	103	Dec. 30, '03	103	102⅝	510,000
• registered	....		Q J	101¾	Dec. 28, '03	102¼	101¼	17,000
• gen. lien g. 3's	2047	56,000,000	Q F	71	Dec. 31, '03	71	70	417,500
• registered	....		Q F	68½	Dec. 19, '03	68½	68½	2,000
St. Paul & Duluth div. g. 4's...	1996	7,897,000	J & D	96	Dec. 12, '03	96	96	10,000
• registered	....		J & D	....	....	....	....	....
St. Paul & N. Pacific gen g. 6's.	1923	7,985,000	F & A	122	Oct. 17, '03	....	....	....
• registered certificates	....		Q F	132	July 28, '98	....	....	....
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	112¼	July 21, '03	....	....	....
• 2d 5's	1917	2,000,000	A & O	107¼	Dec. 29, '03	107¼	107¼	3,000
• 1st con. g. 4's	1968	1,000,000	J & D	98	Nov. 27, '03	....	....	....
Washington Cen. Ry 1st g. 4's..	1948	1,538,000	QMCH	94½	Feb. 19, '01	....	....	....
Nor. Pacific Term. Co. 1st g. 6's..	1933	3,665,000	J & J	111½	Oct. 2, '03	....	....	....
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	114½	May 4, '02	....	....	....
• gen. mortg. g 6's	1937	2,428,000	A & O	108½	July 29, '02	....	....	....
Pacific Coast Co. 1st g. 5's	1946	4,446,000	J & D	105	Dec. 30, '03	105	103¾	14,000
Panama 1st sink fund g. 4½'s....	1917	2,246,000	A & O	102	Apr. 21, '03	....	....	....
• s. f. subsidy g 6's	1910	887,000	M & N	102	Apr. 14, '02	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	110⅞	Dec. 30, '03	111	110½	25,000
• reg	1921		J & J	106	Mar. 26, '03	....	....	....
• gtd.3½ col.tr.reg.cts..	1937	4,895,000	M & S	95¾	Nov. 2, '03	....	....	....
• gtd.3½ col.tr.cts.serB	1941	9,794,000	F & A	92¼	Dec. 28, '03	94¼	92¼	7,000
• Trust Co. ctfs. g. 3½'s.	1916	17,332,000	M & N	195	July 16, '03	....	....	....
Chic., St. Louis & P. 1st c. 5's..	1932	1,506,000	A & O	118	Dec. 21, '03	118	118	3,000
• registered	....	....	A & O	110	May 3, '92	....	....	....
Cin., Leb. & N. 1st con.gtd.g.4's.	1942	900,000	J & J	....	....	....	....	....
Clev.&P.gen.gtd.g.4½'s Ser. A.	1942	3,000,000	J & J	108¼	Aug. 21, '03	....	....	....
• Series B	1942	1,561,000	A & O	....	....	....	....	....
• • int. reduc. 3½ p.c.		439,000	......	....	....	....	....	....
• Series C 3½s	1948	3,000,000	M & N	....	....	....	....	....
• Series D 3½s	1950	1,983,000	F & A	....	....	....	....	....
E.&Pitts. gen.gtd.g.3½s Ser. B..	1940	2,250,000	J & J	102	Nov. 7, 19'	....	....	....
• • • C..	1940	1,508,000	J & J	....	....	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's..	1945	1,400,000	J & J	....	....	....	....	....
Pitts., C. C. & St. L. con. g 4½'s..								
• Series A	1940	10,000,000	A & O	107½	Oct. 7, '03	....	....	....
• Series B gtd	1942	8,786,000	A & O	109	Nov. 9, '03	....	....	....
• Series C gtd	1942	1,379,000	M & N	116½	Feb. 14, '01	....	....	....
• Series D gtd. 4's	1945	4,983,000	M & N	106¼	Nov. 19, '02	....	....	....
• Series E gtd. g. 3½s...	1949	10,421,000	F & A	93	Dec. 8, '03	93	93	25,000
Pitts., Ft. Wayne & C. 1st 7's..	1912	2,219,000	J & J	127⅝	Oct. 21, '02	....	....	....
• 2d 7's	1912	1,918,000	J & J	119¾	Sept. 9, '03	....	....	....
• 3d 7's	1912	2,000,000	A & O	120	Mar. 16, '03	....	....	....
Tol Walhonding Vy.&O. 1st gtd. bds		3,280,000	J & D					
4½'s series A	1931	1,500,000	J & J	....	....	....	....	....
• 4½'s series B	1933	978,000	J & J	....	....	....	....	....
• 4's series C	1942	1,453,000	M & S	....	....	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's...	1923	1,675,000	M & N	105	Dec. 19, '03	105	105	3,000
con. sterling gold 6 per cent...	1905	22,762,000	J & J	....	....	....	....	....
con. currency, 6's registered...	1905	4,718,000	Q M 15	....	....	....	....	....
con. gold 5 per cent	1919	4,998,000	M & S	114	Dec. 15, '03	114	114	2,000
• registered	....		Q M	....	....	....	....	....
con. gold 4 per cent	1943	3,825,000	M & N	106	Aug. 28, '03	....	....	....
• ten year conv. 3½'s..	1912	20,697,500	M & N	95⅝	Dec. 31, '03	95¾	95	451,000
Allegh. Valley gen. gtd. g. 4's...	1942	5,389,000	M & S	110	Aug. 28, 19'	....	....	....
Belvedere Del. con. gtd. 3½'s..	1943	1,000,000	J & J	....	....	....	....	....
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	112¾	Mar. 7, 19'	....	....	....
Del.R. RR.& BgeCo 1stgtdg.4's,	1936	1,300,000	F & A	....	....	....	....	....
G.R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	111	Dec. 10, '03	111	111	8,000
Sunbury & Lewistown 1stg.4's.	1936	500,000	J & J	....	....	....	....	....
U'd N. J. RR. & Can Co. g 4's...	1944	5,646,000	M & S	117	May 1, 19'	....	....	....
Peoria & Pekin Union 1st 6's....	1921	1,495,000	Q F	121	Nov. 5, '03	....	....	....
• 2d m 4½'s	1921	1,499,000	M & N	95	June 16, '03	....	....	....
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr. 28, '02	....	....	....
Flint & Pere Marquette g. 6's..	1920	3,999,000	A & O	118	Dec. 9, '03	118	118	1,000
• 1st con. gold 5's	1939	2,850,000	M & N	107½	Dec. 18, '03	108	107½	4,000
• Port Huron d 1st g 5's.	1939	3,325,000	A & O	109	Dec. 9, '03	109	109	10,000
Sag'w Tusc. & Hur. 1st gtd.g.4's.	1931	1,000,000	F & A	....	....	....	....	....
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17, '93	....	....	....

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Pittsburg, Junction 1st 6's.......1922	478,000	J & J	120	Oct. 11,'01	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A, 1928	2,000,000	A & O	112½	Dec. 13,'98	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's, 1940	3,000,000	A & O	117¼	July 7,'03	....	....	....
• 1st cons. 5's..............1943	408,000	J & J	87¾	Jan. 12,19'	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's, 1927	1,562,000	M & N	120½	Dec. 8,'02	....	....	....
Reading Co. gen. g. 4's...........1997	66,026,000	J & J	97¾	Dec. 31,'03	97¾	96⅝	822,000
• registered..................		J & J	96½	July 2,'03	....	....	....
• Jersey Cent. col. g. 4's..1957	23,000,000	......	92	Dec. 23,'03	92¾	92	17,000
• • registered.....	....	......	....	....	....	....	....
Atlantic City 1st con. gtd. g. 4's. 1951	1,063,000	M & N	....	....	....	....	....
Rio Grande Junc'n 1st gtd. g. 5's, 1939	1,850,000	J & D	105	Dec. 19,'03	105	105	30,000
Rio Grande Southern 1st g. 4's..1940	2,233,000	J & J	75	Aug. 3,'03	....	....	....
• guaranteed...............	2,277,000	......	94¼	Nov. 15,'02	....	....	....
Rutland RR 1st con. g. 4½ s....1941	2,440,000	J & J	....	....	....	....	....
Ogdnsb. & L. Ch'n. Ry. 1st gtd g4s 1948	4,400,000	J & J	....	....	....	....	....
Rutland Canadian 1st gtd. g. 4's. 1949	1,350,000	J & J	101¼	Nov. 18,'01	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.342.......1947	3,500,000	J & J	87	Dec. 21,'03	87	87	13,000
St. L. & Adirondack Ry. 1st g. 5's. 1996	800,000	J & J	....	....	....	....	....
• 2d g. 6's...............1996	400,000	A & O	....	....	....	....	....
St. Louis & San F. 2d 6's, Class B, 1906	998,000	M & N	104⅝	Dec. 7,'03	104⅝	104⅝	25,000
• 2d g. 6's, Class C......1906	829,000	M & N	104½	Dec. 22,'03	104½	104½	5,000
• gen. g. 6's..............1931	3,681,000	J & J	125⅝	Dec. 31,'03	125⅝	125½	10,000
• gen. g. 5's..............1931	5,803,000	J & J	113½	Dec. 31,'03	113½	112	71,000
St. L & San F. R. R. con. g. 4's. 1996	1,558,000	J & D	98	Dec. 16,'03	98	98	1,000
• S. W. div. g. 5's........1947	829,000	A & O	100	June 5,'02	....	....	....
• refunding g. 4's.......1951	54,713,000	J & J	84⅞	Dec. 30,'03	85⅛	84	500,000
• • registered...		J & J	....	....	....	....	....
Kan. Cy Ft. S. & Mem RR con g 6's 1928	13,736,000	M & N	119	Dec. 2,'03	119	119	2,000
Kan. Cy Ft. S & M Ry ref gtd g4s. 1936	14,983,000	A & O	78⅛	Dec. 31,'03	79	77½	304,000
• registered............		A & O	....	....	....	....	....
Kan. Cy & M. R. & B. Co. 1st gtd g5s. 1929	3,000,000	A & O	....	....	....	....	....
St. Louis S. W. 1st g. 4's Bd. ctfs., 1989	20,000,000	M & N	93	Dec. 31,'03	93	92	140,000
• 2d g. 4's inc. Bd. ctfs....1989	3,272,500	J & J	71½	Dec. 31,'03	76	71½	93,000
• con. g. 4's.........1932	12,054,000	J & D	71⅜	Dec. 30,'03	71½	69	1,254,000
Gray's Point, Term. 1st gtd. g. 5's. 1947	339,000	J & D	....	....	....	....	....
St. Paul, Minn. & Manito'a 2d 6's..1909	7,337,000	A & O	110⅜	Dec. 18,'03	110⅜	110⅜	3,000
• 1st con. 6's............1933	13,344,000	J & J	133	Dec. 4,'03	133	133	7,000
• 1st con. 6's, registered....		J & J	140	May 14,'02	....	....	....
• 1st c. 6's, red'd to g. 4½'s...	19,439,000	J & J	109⅝	Dec. 21,'03	110	109½	8,000
• 1st cons. 6's register'd....		J & J	115¼	Apr. 15,'01	....	....	....
• Dakota ext'n g. 6's...1910	5,504,000	M & N	111	Nov. 25,'03	....	....	....
• Mont. ext'n 1st g. 4's..1937	10,185,000	J & D	100¼	Dec. 31,'03	101	100	61,000
• registered..................		J & D	106	May 6,'01	....	....	....
Eastern R'y Minn, 1st d. 1st g. 5's..1908	4,700,000	A & O	104	Aug. 15,'03	....	....	....
• registered..................		A & O	....	....	....	....	....
• Minn. N. div. 1st g. 4's..1940	5,000,000	A & O	....	....	....	....	....
• registered..................		A & O	....	....	....	....	....
Minneapolis Union 1st g. 6's....1922	2,150,000	J & J	128	Apr. 4,19'	....	....	....
Montana Cent. 1st 6's int. gtd..1937	6,000,000	J & J	116	Dec. 7,'03	116	115⅝	2,000
• 1st 6's, registered.........		J & J	115	Apr. 24,'97	....	....	....
• 1st g. g. 5's............1937	4,000,000	J & J	121	Dec. 31,'03	121	117	37,000
• registered..................		J & J	....	....	....	....	....
Willmar & Sioux Falls 1st g. 5's, 1938	3,625,000	J & D	114⅝	Dec. 4,'02	114⅝	114⅝	1,000
• registered..................		J & D	....	....	....	....	....
Salt Lake City 1st g. s. f. 6's......1913	297,000	J & J	....	....	....	....	....
San Fe Pres. & Phoe. Ry. 1st g. 5's, 1942	4,940,000	M & S	111	Aug. 15,'01	....	....	....
San Fran. & N. Pac. 1st s. f. g. 5's, 1919	3,872,000	J & J	113¾	Dec. 11,'01	....	....	....
Seaboard Air Line Ry g. 4's......1950	12,775,000	A & O	70½	Dec. 30,'03	73¼	70	128,000
• registered..................		A & O	....	....	....	....	....
• col. trust refdg g. 5's..1911	10,000,000	M & N	98½	Dec. 30,'03	99¼	98½	40,000
Carolina Central 1st con. g. 4's. 1949	2,847,000	J & J	90	Oct. 7,'03	....	....	....
Fla Cent & Peninsular 1st g. 5's. 1918	3,000,000	J & J	100	Sept. 6,'99	....	....	....
• 1st land grant ext g. 5's. 1930	410,000	J & J	....	....	....	....	....
• cons. g. 5's.............1943	4,370,000	J & J	106½	Feb. 26,'02	....	....	....
Georgia & Alabama 1st con. 5's. 1945	2,922,000	J & J	106¼	Aug. 21,'03	....	....	....
Ga. Car. & Nthern 1st gtd g. 5's. 1929	5,360,000	J & J	107	Dec. 15,'03	107	107	2,000
Seaboard & Roanoke 1st 5's....1926	2,500,000	J & J	....	....	....	....	....

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	DECEMBER SALES. *High.*	DECEMBER SALES. *Low.*	DECEMBER SALES. *Total.*
Sodus Bay & Sout'n 1st 5's, gold	1924	500,000	J & J	102	Jan. 20, '03	....	....	....
Southern Pacific Co.								
″ 2-5 year col. trust g. 4½'s	1905	15,000,000	J & D	98	Dec. 29, '03	98¼	97¼	270,000
″ g. 4's Central Pac. coll.	1949	28,818,500	J & D	88	Dec. 31, '03	88½	87	90,000
″ ″ registered	......		J & D	95	Apr. 10, '02	....	....	....
Austin & Northw'n 1st g. 5's	1941	1,920,000	J & J	105½	Feb. 25, '03	....	....	....
Cent. Pac. 1st refud. gtd. g. 4's	1949	62,754,000	F & A	99½	Dec. 31, '03	99½	98⅝	199,000
″ registered	....		F & A	99¼	Mar. 5, '93	....	....	....
″ mtge. gtd. g. 3½'s	1929	18,069,500	J & D	84	Dec. 23, '03	84¼	83½	61,000
″ ″ registered	....		J & D	....		....	....	....
Gal. Harrisb'gh & S.A. 1st g 6's	1910	4,756,000	F & A	110¼	Feb. 27, '03	....	....	....
″ 2d g 7's	1905	1,000,000	J & D	105	Feb. 11, '03	....	....	....
″ Mex. & P. div 1st g 5's	1931	13,418,000	M & N	104	Dec. 24, '03	104	104	2,000
Gila Val. G. & N'n 1st gtd g 5's	1924	1,514,000	M & N	104	Dec. 19, '03	104	102½	11,000
Houst. E. & W. Tex. 1st g. 5's	1933	501,000	M & N	105	Dec. 18, '03	105	105	4,000
″ 1st gtd. g. 5's	1933	2,199,000	M & N	103	Nov. 6, '02	....	....	....
Houst. & T.C. 1st g 5's int. gtd.	1937	5,788,000	J & J	113½	Dec. 31, '03	113½	112⅛	10,000
″ con. g 6's int. gtd.	1912	2,816,000	A & O	112¾	Dec. 31, '03	112¾	110¾	22,000
″ gen. g 4's int. gtd.	1921	4,287,000	A & O	91	Dec. 21, '03	91½	91	32,000
″ W & Nwn. div. 1st. g. 6's	1930	1,105,000	M & N	127½	Feb. 27, '02	....	....	....
Morgan's La & Tex. 1st g 6's	1920	1,494,000	J & J	122	Sept. 15, '02	....	....	....
″ 1st 7's	1918	5,000,000	A & O	130	Nov. 19, '02	....	....	....
N. Y. Tex. & Mex. gtd. 1st g 4's	1912	1,465,000	A & O	....		....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's	1907	3,964,000	J & J	102	July 30, '03	....	....	....
″ gtd. g. 5's	....	4,751,000	A & O	113	Jan. 4, '01	....	....	....
Oreg. & Cal. 1st gtd. g 5's	1927	19,031,000	J & J	102¾	Dec. 10, '03	102¾	102¾	5,000
San Ant. & Aran Pass 1st gtd g 4's	1943	18,900,000	J & J	78⅞	Dec. 31, '03	79	76	206,000
South'n Pac. of Ariz. 1st 6's	1909	6,000,000	J & J	108⅞	Dec. 22, '03	108⅞	108⅞	8,000
″ ″ ″	1910	4,000,000	J & J	111¼	Apr. 6, '03	....	....	....
″ of Cal. 1st g 6's ser. A	1905	29,192,500	A & O	101⅞	Dec. 15, '03	101⅞	101⅞	8,000
″ ″ ″ ser. B	1905		A & O	102	Oct. 22, '03	....	....	....
″ ″ ″ C. & D.	1906		A & O	106½	May 15, '03	....	....	....
″ ″ ″ E. & F.	1902		A & O	108	Nov. 2, '03	....	....	....
″ ″ ″	1912	....	A & O	119	Mar. 17, '03	....	....	....
″ 1st con. gtd. g 5's	1937	6,809,000	M & N	106⅝	Dec. 8, '03	106⅝	106¼	3,000
″ stamped	1905-1937	21,470,000	......	106½	Dec. 24, '03	106¾	106½	4,000
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	....		....	....	....
″ of N. Mex. c. 1st 6's	1911	4,180,000	J & J	108¾	June 26, '03	....	....	....
Tex. & New Orleans 1st 7's	1905	862,000	F & A	103½	Oct. 20, '03	....	....	....
″ Sabine div. 1st g 6's	1912	2,575,000	M & S	111½	Oct. 30, '02	....	....	....
″ con. g 5's	1943	1,620,000	J & J	102	Dec. 29, '03	102	102	5,000
Southern Railway 1st con. g 5's	1994	37,191,000	J & J	114¾	Dec. 31, '03	114¾	112½	265,000
″ registered	....		J & J	111¼	Aug. 7, '03	....	....	....
Mob. & Ohio collat. trust g. 4's	1938	7,999,000	M & S	93¾	Dec. 24, '03	95¾	93¼	49,000
″ registered	....		M & S	....		....	....	....
″ Memph. div. 1st g. 4-4½-5's	1996	5,183,000	J & J	113	Dec. 18, '03	113	113	1,000
″ registered	....		J & J	....		....	....	....
″ St. Louis div. 1st g. 4's	1951	11,250,000	J & J	96¾	Dec. 30, '03	96¾	95¾	11,000
″ ″ registered	....		J & J	....		....	....	....
Alabama Central, 1st 6's	1918	1,000,000	J & J	120	Mar. 25, '01	....	....	....
Atlantic & Danville 1st g. 4's	1948	3,925,000	J & J	91	Nov. 20, '03	....	....	....
Atlantic & Yadkin, 1st gtd g 4s	1949	1,500,000	A & O	....		....	....	....
Col. & Greenville, 1st 5-6's	1916	2,000,000	J & J	116	Oct. 20, '03	....	....	....
East Tenn., Va. & Ga. div. g. 5's	1930	3,106,000	J & J	114	Oct. 15, '03	....	....	....
″ con. 1st g 5's	1956	12,770,000	M & N	117½	Dec. 29, '03	117½	116	41,000
″ reorg. lien g 4's	1938	4,500,000	M & S	111¾	Dec. 22, '03	111¾	110½	35,000
″ registered	....		M & S	....		....	....	....
Ga. Pacific Ry. 1st g 5-6's	1922	5,660,000	J & J	120½	Nov. 10, '03	....	....	....
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	122	Nov. 10, '03	....	....	....
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	118	Dec. 19, '03	118	118	2,000
″ deb. 5's stamped	1927	3,368,000	A & O	108½	Dec. 28, '03	108½	108½	5,000
Rich. & Mecklenburg 1st g. 4's	1948	315,000	M & N	92	Sept. 9, '02	....	....	....
South Caro'a & Ga. 1st g. 5's	1919	5,250,000	M & S	103	Dec. 21, '03	103	102½	8,000
Vir. Midland serial ser. A 6's	1906	600,000	M & S	....		....	....	....
″ small	....		M & S	....		....	....	....
″ ser. B 6's	1911	1,900,000	M & S	112½	Jan. 6, '03	....	....	....
″ small	....		M & S	....		....	....	....
″ ser. C 6's	1916	1,100,000	M & S	123	Feb. 8, '02	....	....	....
″ small	....		M & S	....		....	....	....
″ ser. D 4-5's	1921	950,000	M & S	112	Feb. 18, '03	....	....	....
″ small	....		M & S	....		....	....	....
″ ser. E 5's	1926	1,775,000	M & S	115	Jan. 6, '03	....	....	....
″ small	....		M & S	....		....	....	....
″ ser. F 5's	1931	1,310,000	M & S	108	Nov. 9, '03	....	....	....
Virginia Midland gen. 5's	1936	2,392,000	M & N	109¾	Dec. 31, '03	110¼	109	37,000
″ gen. 5's. gtd. stamped	1926	2,466,000	M & N	113½	May 14, '03	....	....	....

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NAME. Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	LAST SALE. Date.	DECEMBER SALES. High.	DECEMBER SALES. Low.	DECEMBER SALES. Total.
{ W. O. & W. 1st cy. gtd. 4's.....1924	1,025,000	F & A	93	Dec. 31,'03	93	92	22,000
{ W. Nor. C. 1st con. g 6's........1914	2,531,000	J & J	116⅛	Dec. 19,'03	116⅛	115¼	18,000
Spokane Falls & North.1st g.6's..1939	2,812,000	J & J	117	July 25,19'	....	....	....
Staten Isl.Ry.N.Y.1stgtd.g.4½'s.1943	500,000	J & D	104½	Sept. 2,'02	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s.1939	7,000,000	A & O	114½	Dec. 1,'03	114½	114½	1,000
{ " 1st con. g. 5's.....1894-1944	5,000,000	F & A	113⅞	Nov. 12,'03	....	....	....
{ St. L. Mers. bdg. Ter. gtd g. 5's.1930	3,500,000	A & O	107¾	Dec. 31,'03	107¾	107¾	3,000
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th } 1905	2,815,000	M & S	100	Sept.30,'03	....	....	....
" 1st gold 5's..............2000	22,120,000	J & D	116¼	Dec. 31,'03	116¼	114½	78,000
" 2d gold income, 5's......2000	963,000	MAR.	94½	Dec. 30,'03	94½	85	17,000
" La. Div.B.L. 1st g.5's...1931	3,348,000	J & J	110	Dec. 28,'03	110	109¾	56,000
Toledo & Ohio Cent. 1st g 5's....1935	3,000,000	J & J	113	Dec. 10,'03	113	113	5,000
{ " 1st M. g 5's West. div...1935	2,500,000	A & O	111	Sept. 8,'03	....	....	....
{ " gen. g. 5's.... 1935	2,000,000	J & D	105	Nov. 16,'03	....	....	....
{ " Kanaw & M. 1st g. g. 4's.1990	2,469,000	A & O	90	Nov. 24,'03	..	....	....
Toledo, Peoria & W. 1st g 4's....1917	4,900,000	J & D	89	Dec. 2,'03	92	89	20,000
Tol., St. L. & Wn. prior lien g 3½'s.1925	} 9,000,000 }	J & J	83½	Dec. 29,'03	84	83½	18,000
" registered..................		J & J	....	....	....	....	....
" fifty years g. 4's........1925	} 6,500,000 }	A & O	70⅞	Dec. 30,'03	70⅞	68½	72,000
" registered..................		A & O	....	....	...	....	....
Toronto, Hamilton & Buff 1st g 4s.1946	3,280,000	J & D	98	Apr. 29,'03	....	....	....
Ulster & Delaware 1st c. g 5's....1925	1,852,000	J & D	106¼	Dec. 11,'03	106¼	106¼	3,000
Union Pacific R. R. & ld gt g 4s....1947	100,000,000	J & J	103⅜	Dec. 31,'03	103⅜	102¼	1,349,500
{ " registered.................		J & J	100	Dec. 30,'03	102½	100	6,000
{ " 1st lien con. g. 4's......1911	} 87,250,000	M & N	96⅜	Dec. 31,'03	96½	94¼	2,790,000
{ " registered.................		M & N	105¼	Dec. 6,'02	....	....	....
{ Oreg. R. R. & Nav.Co.con. g 4's.1946	21,482,000	J & D	98½	Dec. 31,'03	99	97½	216,000
{ Oreg. Short Line Ry. 1st g. 6's.1922	13,651,000	F & A	124⅛	Dec. 31,'03	124¾	123	22,000
{ " 1st con. g. 5's.1946..........	12,328,000	J & J	114	Dec. 30,'03	114	113½	81,000
{ " 4's & participat'g g. bds. 1927	} 41,000,000	F & A	92	Dec. 31,'03	92¾	91⅝	638,000
{ " registered.................		F & A	....	....	....	....	....
{ Utah & Northern 1st 7's........1908	4,993,000	J & J	112	Dec. 30,'03	112	112	5,000
{ " g. 5's.................1926	1,812,000	J & J	114½	Apr. 19,'02	....	....	....
Virginia & S'western 1st gtd. 5's..2003	2,000,000	J & J	102½	Dec. 31,'03	102½	101½	89,000
Wabash R.R. Co., 1st gold 5's....1939	83,001,000	M & N	114⅝	Dec. 31,'03	114⅞	113½	170,000
{ " 2d mortgage gold 5's...1939	14,000,000	F & A	106¾	Dec. 30,'03	106¾	105½	170,000
{ " deben. mtg series A...1939	3,500,000	J & J	101½	Apr. 28,'03	....	.	....
{ " series B................1939	26,500,000	J & J	63¾	Dec. 31,'03	63¾	57⅝	5,495,000
{ " first lien eqpt. fd.g. 5's.1921	2,755,000	M & S	101½	Oct. 10,'03	....	....	....
{ " 1st g.5's Det.& Chi.ex..1940	3,349,000	J & J	108	Nov.30,'03	....	....	....
{ " Des Moines div.1st g.4s.1939	1,600,000	J & J	97	May 12,'02	....	....	....
{ " Omaha div. 1st g. 3½s..1941	3,000,000	A & O	80	Nov. 13,'03	....	....	....
{ " Tol. & Chic.div.1st g.4's.1941	3,000,000	M & S	98	Mar. 17,'02	....	....	....
{ St.L., K.C. & N.St. Chas. B. 1st 6's 1908	473,000	A & O	109½	Mar. 13,'03	....	....	....
Western N.Y. & Penn. 1st g. 5's..1937	9,990,000	J & J	117½	Dec. 17,'03	117½	117	4,000
" gen g. 3-4's..............1943	9,789,000	A & O	95⅞	Oct. 27,'03	....	....	....
" inc. 5's.................1943	10,000,000	Nov.	40	Mar. 21,'01	....	....	....
West Va.Cent'l & Pitts.1st g.6's.1911	3,250,000	J & J	122	Dec. 15,'03	112	111¾	4,000
Wheeling & Lake Erie 1st g. 5's.1926	2,000,000	A & O	112½	July 30,'03	....	....	....
" Wheeling div. 1st g. 5's.1928	894,000	J & J	110¼	Nov. 10,'03	....	....	....
" exten. and imp. g. 5's...1930	343,000	F & A	110	Mar. 6,'03	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's..1949	11,618,000	M & S	88	Dec. 31,'03	89½	86½	24,000
Wisconsin Cen. R'y 1st gen. g. 4s.1949	23,743,000	J & J	91¾	Dec. 30,'03	91¾	89	79,000
STREET RAILWAY BONDS.							
Brooklyn Rapid Transit g. 5's...1945	6,625,000	A & O	100¼	Dec. 28,'03	100¼	99½	108,000
{ " City R. R. 1st c. 5's 1916.1941	4,378,000	J & J	108	Oct. 22,'03	....	....	....
{ " Qu. Co. & Sur. con. gtd. g. 5's..................1941	2,255,000	M & N	100½	Sept.26,'03	....	....	....
{ " Union Elev. 1st. g. 4-5s.1950	} 16,000,000	F & A	101⅜	Dec. 31,'03	101⅜	98	440,000
{ " stamped guaranteed......		......	100¾	July 15,'03	....	....	....
{ Kings Co. Elev. R. R. 1st g. 4's.1949	} 7,000,000	F & A	86	Dec. 31,'03	86	83½	186,000
{ " stamped guaranteed......		......	....	....	....	....	....
{ Nassau Electric R. R. gtd. g. 4's.1951	10,474,000	J & J	85½	Jan. 5,'03	....	....	....
City & Sub. R'y. Balt. 1st g. 5's...1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn. Ry. & Light g 1st & rfg. g 4½'s.1951	8,355,000	J & J	90	Oct. 31,'02	....	....	....
Denver Con. T'way Co. 1st g. 5's.1933	730,000	A & O	97½	June 13,19'	..	....	....
{ Denver T'way Co. con. g. 6's....1910	1,219,000	J & J	....	....	....	....	....
{ Metropol'n Ry Co. 1st g. g. 6's.1911	913,000	J & J	....	....	....	....	....
Detroit Cit'ens St. Ry. 1st con. g. 5's.1905	5,485,000	J & J	108	Nov.23,'01	....	....	....
Grand Rapids Ry 1st g. 5's........1916	2,500,000	J & D	....	....	....	....	....
Louisville Railw'y Co. 1st c. g. 5's, 1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's, 1913	3,000,000	J & J	....	....	....	....	....

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Metro. St. Ry N.Y.g.col. tr.g.5's.1997	12,500,000	F & A	113¾	Dec. 18,'03	114½	113	89,000
• refunding 4's..........2002	12,780,000	A & O	88⅛	Dec. 29,'03	90	80	111,000
B'way & 7th ave. 1st con. g. 5's, 1943	7,650,000	J & D	112	Dec. 31,'03	112¼	111⅛	17,000
• registered		J & D	119⅛	Dec. 3,19'	....	....	....
Columb. & 9th ave.1st gtd g 5's, 1993	8,000,000	M & S	115	Dec. 3,'03	115	115	10,000
• registered..................		M & S	....	....	....	....	....
Lex ave & Pav Fer 1st gtd g 5's, 1993	5,000,000	M & S	115⅛	Dec. 30,'03	115⅛	114⅛	29,000
• registered..................		M & S	....	....	....	....	....
Third Ave. R.R. 1st c.gtd.g.4's..2000	35,000,000	J & J	96¾	Dec. 31,'03	97	95¼	85,000
• registered..................		J & J	....	....	....	....	....
Third Ave. R'y N.Y. 1st g 5's...1937	5,000,000	J & J	119	Dec. 18,'03	119	117¾	17,000
Met. West Side Elev.Chic.1stg.4's.1938	9,808,000	F & A	96¾	Dec. 22,'03	96¾	96¾	2,000
• registered..................		F & A	....	....	....	....	....
Mil.Elec.R.&Light con.30yr.g.5's.1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's......................1919	4,050,000	J & J	110	June26,'01	....	....	....
St.Jos.Ry.Lig't,Heat&P.1stg.5's.1937	3,500,000	M & N	....	....	....	....	....
St. Paul City Ry. Cable con.g.5's.1937	2,480,000	J&J15	109¼	Apr. 14,'03	....	....	....
• gtd. gold 5's 1937	1,138,000	J & J	112	Nov. 28,'99	....	....	....
Union Elevated (Chic.) 1st g.5's.1945	4,387,000	A & O	109⅛	Dec. 14,'99	....	....	....
United Railways of St.L.1st g.4's.1934	28,292,000	J & J	84⅝	June25,'03	....	....	....
United R. R. of San Fr. s. fd. 4's...1927	20,000,000	A & O	75⅝	Dec. 31,'03	76¾	75¼	392,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,989,000	M & N	....	....	....	....	....
• 40 years con. g. 5's......1936	6,031,000	M & N	99	Dec. 28, '97	....	....	....

MISCELLANEOUS BONDS.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	*Price.*	*Date.*	*High.*	*Low*	*Total.*
Adams Express Co. col. tr. g. 4's.1948	12,000,000	M & S	101⅞	Dec. 23,'03	102⅛	101⅛	42,000
Am.Steamship Co.of W.Va.g.5's 1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn.FerryCo.ofN.Y.1stc.g.5's.1948	6,500,000	F & A	73	Mar. 26,'03	....	....	....
Chic. Junc. & St'k Y'ds col. g. 5's.1915	10,000,000	J & J	111	Sept.30,'03	....	....	....
Der. Mac.&Ma.ld.gt.3½'s sem.an.1911	1,845,000	A & O	81⅛	Dec. 30,'03	85	81	28,000
Hackensack Water Co. 1st 4's....1952	3,000,000	J & J	....	....	....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g.5's....1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim.gen. g. 4's.1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuildng & Dry Dock 5's............1890-1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...1951	11,580,000	F & A	91	Dec. 28,'03	91	90	16,500
• registered..................		F & A	....	....	....	....	....
St.Joseph Stock Yards 1st g. 4½'s 1930	1,250,000	J & J	....	....	....	....	....
St. Louis Terml. Cupples Station. & Property Co. 1st g 4½'s 5-20..1917	3,000,000	J & D	....	....	....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	108	Nov. 28,'03	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	113⅛	Dec. 18,19'	....	....	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.							
Series D 4½'s..............1901-1916	1,000,000	J & J	....	....	....	....	....
• E 4's................1907-1917	1,000,000	J & D	....	....	....	....	....
• F 4's................1908-1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
• G 4's................1903-1918	1,000,000	F & A	....	....	....	....	....
• H 4's................1903-1918	1,000,000	M & N	....	....	....	....	....
• I 4's................1904-1919	1,000,000	F & A	....	....	....	....	....
• J 4's................1904-1919	1,000,000	M & N	....	....	....	....	....
• K 4's................1905-1920	1,000,000	J & J	....	....	....	....	....
Small bonds......................	....	......	....	....	....	....	....
INDUSTRIAL AND MFG. BONDS.							
Am. Cotton Oil deb. ext. 4½'s....1915	2,919,000	......	96	Dec. 28,'03	97	94¾	16,000
Am. Hide & Lea. Co. 1st s. f. 6's...1919	7,863,000	M & S	71	Dec. 31,'03	71½	69	67,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	1,750,000	M & S	87	Dec. 28,'03	88	86	7,000
Am.Thread Co.,1st coll.trust 4's.1919	6,000,000	J & J	75	Dec. 19,'03	77	75	4,000
Barney & Smith Car Co. 1st g. 6's.1942	1,000,000	J & J	105	Jan. 10,19'	....	....	....
Consol. Tobacco Co. 50 year g. 4's.1951	157,378,200	F & A	57	Dec. 31,'03	58	54⅞	2,371,000
• registered..................		F & A	51½	Aug. 5,'03	....	....	....
Dis. Secur. Cor. con. 1st g. 5's....1927	13,879,000	A & O	64	Dec. 31,'03	64	60	395,000
Dis. Co. of Am. coll. trust g 5's..1911	3,030,000	J & J	99	Sept.16,'03	....	....	....
Illinois Steel Co. debenture 5's...1910	1,400,000	J & J	99	Jan. 17,'99	....	....	....
• non. conv. deb. 5's......1910	7,000,000	A & O	100	May 2,'02	....	....	....
Internat'l PaperCo. 1st con.g 6's. 1918	9,700,000	F & A	106	Dec. 24,'03	106¼	106	44,000
Int. Steam Pump 10 year deb. 6's.1913	2,500,000	J & J	....	....	....	....	....
Knick'r'ker IceCo.(Chic) 1st g 5's.1928	1,937,000	A & O	93	Feb. 24,'03	....	....	....
Lack. Steel Co., 1st con. g. 5's....1923	15,000,000	A & O	93⅛	Dec. 28,'03	93⅛	93	13,000
Nat. Starch Mfg. Co., 1st g 6's...1920	2,924,000	J & J	90⅞	Dec. 21,'03	90⅞	90⅞	5,000
Nat. Starch. Co's fd. deb. g. 5's..1925	4,137,000	J & J	64	Dec. 7,'03	64	64	1,000
Standard Rope & Twine 1st g. 6's.1946	2,740,000	F & A	35	Dec. 31,'03	35½	33	26,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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MISCELLANEOUS BONDS—*Continued*.

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	DECEMBER SALES. *High.*	DECEMBER SALES. *Low.*	DECEMBER SALES. *Total.*
Standard Rope&Twine inc.g.5s	1946	7,500,000	......	2	Dec. 29,'03	2	1	164,000
United Fruit Co., con. 5's	1911	3,794,000	M & S			....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's	1918	2,000,000	J & J			....	....	....
U. S. Leather Co. 6% g s. fd deb.	1915	5,280,000	M & N	107½	Dec. 21,'03	107½	106	6,000
U. S. Reduction & Refin. Co. 6's	1931	....	......	79	Aug. 12,'03	....	....	....
U. S. Shipbldg. 1st & fd g. 5's Ser. A.	1932	14,500,000	J & J	25⅛	July 21,'03	....	....	....
" collat. and mge. 5's	1932	10,000,000	F & A	91	Jan. 15,'03	....	....	....
U. S. Steel Corp. 10-60 yr. g. sk. fd 5's	1963	....	M & N	71	Dec. 31,'03	71⅝	68½	20 910 000
" " " reg.	1963	152,902,000	M & N	70¾	Dec. 30,'03	71⅝	69	16,500
BONDS OF COAL AND IRON COS.								
Colo. C'l & I'n Devel. Co. gtd g. 5's	1909	700,000	J & J	55	Nov. 2,19'	....	....	....
" Coupons off		....	......			....	....	....
Colo. Fuel Co. gen. g. 6's	1919	640,000	M & N	104	Dec. 16,'03	104	104	4,000
Col. Fuel & Iron Co. gen. sf g 5's	1943	5,355,000	F & A	96	Dec. 30,'03	98	95½	109,000
" conv. deb. g. 5's	1911	14,068,000	F & A	69¼	Dec. 31,'03	71⅛	61⅛	1,038,000
" registered			F & A			....	....	....
Continental Coal 1st s. f. gtd. 5's	1952	2,750,000	F & A			....	....	....
Grand Riv. Coal & Coke 1st g. 6's	1919	949,000	A & O	115	June 23,'02	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's	1926	1,588,000	J & D	105⅛	Oct. 10,'98	....	....	....
" 2d g. 5 s	1926	1,000,000	J & D	102½	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal & Coke 1st g. 5's	1951	3,000,000	J & J	105	Oct. 24,19'	....	....	....
Pleasant Valley Coal 1st g. s. f. 5s.	1928	1,162,000	J A J	106¼	Feb. 27,'02	....	....	....
Roch & Pitts. Cl & Ir. Co. pur my 5's	1946	1,064,000	M & N			....	....	....
Sun. Creek Coal 1st sk. fund 6's	1912	335,000	J & D			....	....	....
Tenn. Coal, Iron & R. R. gen. 5's	1951	3,000,000	J & J	99	Nov. 24,'03	....	....	....
" Tenn. div. 1st g. 6's	1917	1,193,000	A & O	100	Dec. 11,'03	100	100	8,000
" Birmingh. div. 1st con. 6's	1917	3,650,000	J & J	104	Dec. 29,'03	104	103	15,000
Cahaba Coal M. Co., 1st gtd. g. 6's	1922	892,000	J & D	102	Dec. 28,'03	102	102	1,000
De Bardeleben C & I Co. gtd. g. 6's	1910	2,729,500	F & A	97	Dec. 1,'03	97	97	1,000
Va. Iron, Coal & Coke, 1st g. 5's	1949	6,700,000	M & S	70	Dec. 31,'03	70	67	63,000
Wheel L. E. & P. Cl Co. 1st g 5's	1919	846,000	J & J	32	Jan. 15,19'	....	....	....
GAS & ELECTRIC LIGHT CO. BONDS.								
Atlanta Gas Light Co. 1st g. 5's	1947	1,150,000	J & D			....	....	....
B'klyn Union Gas Co. 1st con g. 5's	1945	14,493,000	M & N	113	Dec. 31,'03	113⅛	112⅛	77,000
Buffalo Gas Co. 1st g. 5's	1947	5,900,000	A & O	74	June 24,'03	....	....	....
Columbus Gas Co., 1st g. 5's	1932	1,215,000	J & J	104⅛	Jan. 28,'98	....	....	....
Detroit City Gas Co. g. 5's	1923	5,608,000	J & J	97	Dec. 28,'03	98⅛	97	8,000
Detroit Gas Co. 1st con. g. 5's	1918	381,000	F & A	105	June 2,'03	....	....	....
Equitable Gas Light Co. of N. Y. 1st con. g. 5's	1932	3,500,000	M & S	112	Nov. 11,'03	....	....	....
Gas. & Elec. of Bergen Co, c. g. 5s.	1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. del. g. 3½'s	1942	2,049,400	F & A	87	Dec. 18,'03	87	87	18,000
Grand Rapids G. L. Co. 1st g. 5's	1915	1,225,000	F & A	107¾	Dec. 17,19'	....	....	....
Hudson Co. Gas Co. 1st g. 5's	1949	9,180,000	M & N	102	Oct. 2,'03	....	....	....
Kansas City Mo. Gas Co. 1st g 5's	1922	3,750,000	A & O			....	....	....
Kings Co. Elec. L. & Power g. 5's	1937	2,500,000	A & O			....	....	....
" purchase money 6's	1997	5,010,000	J & J	115⅛	Nov. 23,'03	....	....	....
Edison El. Ill. Bkln 1st con. g. 4's	1939	4,275,000	J & J	93¼	May 29,'03	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's	1919	10,000,000	Q F	105⅛	Dec. 31,'03	105⅛	104⅛	24,000
" small bonds				97⅛	Nov. 1,'95	....	....	....
Milwaukee Gas Light Co. 1st 4's	1927	6,000,000	M & N	87¼	Dec. 12,'03	87¼	87¼	20,000
Newark Cons. Gas, con. g. 5's	1948	5,274,000	J & D			....	....	....
N. Y. Gas EL. H & P Co 1st col tr g 5's	1948	15,000,000	J & D	108	Dec. 31,'03	108⅝	106	83,000
" registered			J & D					
" purchase mny col tr g 4's	1949	20,927,000	F & A	92	Dec. 31,'03	92	90	119,000
Edison El. Illu. 1st conv. g. 5's	1910	4,312,000	M & S	104	Dec. 23,'03	104	104	3,000
" 1st con. g. 5's	1995	2,156,000	J & J	114	Aug. 12,'03	....	....	....
N. Y. & Qus. Elec. Lg. & P. 1st. c. g. 5's	1930	2,272,000	F & A	101⅛	Dec. 30,'03	101⅛	99⅛	17,000
N. Y. & Richmond Gas Co. 1st g. 5's	1921	1,000,000	M & N	102¾	Apr. 30,'03	....	....	....
Paterson & Pas. G. & E. con. g. 5's	1949	3,317,000	M & S			....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's	1904	2,100,000	M & N	100¼	Dec. 11,'03	100¼	100⅛	5,500
" 2d gtd. g. 6's	1904	2,500,000	J & D	100⅛	Dec. 16,'03	100⅛	100⅛	1,000
" 1st con. g 6's	1943	4,900,000	A & O	117⅛	Dec. 22,'03	117⅛	117⅛	3,000
" refunding g. 5's	1947	2,500,000	M & S	104	Nov. 21,'03	....	....	....
" refuding registered			M & S			....	....	....
Chic. Gas Lt & Coke 1st gtd g. 5's	1937	10,000,000	J & J	108⅛	Dec. 30,'03	108⅛	107	36,000
Con. Gas Co. Chic. 1st gtd. g. 5's	1936	4,346,000	J & D	105	Dec. 31,'03	105	103	30,000
Eq. Gas & Fuel, Chic. 1st gtd. g. 6's	1905	2,000,000	J & J	102⅛	Dec. 2,'03	102⅛	102⅛	1,000
Mutual Fuel Gas Co. 1st gtd. g. 5's	1947	5,000,000	M & N	100	Nov. 27,'03	....	....	....
" registered		....	......			....	....	....
Syracuse Lighting Co. 1st g. 5's	1951	2,000,000	J & D			....	....	....
Trenton Gas & Electric 1st g. 5's	1949	1,500,000	M & S	109	Feb. 8,'01	....	....	....
Utica Elec. L. & P. 1st s. f'd g. 5's	1950	1,000,000	J & J			....	....	....
Westchester Lighting Co. g. 5's	1950	5,360,000	J & D			....	....	....

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MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	*Date.*	DECEMBER SALES. *High*	*Low.*	*Total.*
TELEGRAPH AND TELEPHONE CO. BONDS.							
Am.Teleph.&Teleg.coll.trust.4's.1929	28,000,000	J & J	96⅛	Apr. 29,'03	....	....	....
Commercial Cable Co. 1st g. 4's.2397.	10,769,300	Q & J	100⅛	Apr. 8,'02	....	....	....
" registered....................		Q & J	100⅛	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.							
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	1,823,000	M & N	110¾	Nov.19,'03			
" registered.....................		M & N					
N. Y. & N. J. Tel. gen. g 5's.......1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's...1938	8,504,000	J & J	108	Dec. 22,'03	108	107	13,000
" fundg & real estate g.4½'s.1950	16,000,000	M & N	102¼	Dec. 30,'03	102⅛	101¼	137,000
Mutual Union Tel. s. fd. 6's....1911	1,957,000	M & N	107⅛	June23,'03	....	....	....
Northwestern Telegraph 7's...1904	1,180,000	J & J	104	May 9,'02	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

NAME *Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1903. *High.*	*Low.*	DECEMBER SALES. *High.*	*Low.*	*Total.*
United States con. 2's registered...1930	535,020,750	Q J	109⅛	106	....	....	......
" con. 2's coupon............1930		Q J	108¾	106⅛	106⅛	106⅛	3,000
" con. 2's reg. small bonds..1930		Q J	....	....	....	....	......
" con. 2's coupon small bds.1930		Q J	....	....	....	....	......
" 3's registered...........1908 18	78,108,960	Q F	109¼	106¾	....	....	......
" 3's coupon..............1908–18		Q F	110	106½	108	107	5,500
" 3's small bonds reg.....1908–18		Q F	....	....	....	....	......
" 3's small bonds coupon.1908–18		Q F	109⅝	106½	107	107	3,000
" 4's registered..............1907	163,507,000	J A J&O	112¼	109	109½	109	14,500
" 4's coupon.................1907		J A J&O	112	109¼	110⅝	110¼	9,000
" 4's registered..............1925	118,489,900	Q F	136⅛	133¾	....	....	......
" 4's coupon.................1925		Q F	137⅛	134¼	....	....	......
" 5's registered..............1904	10,120,850	Q F	101⅛	101⅛	....	....	......
" 5's coupon.................1904		Q F	103⅜	101¼	....	....	......
District of Columbia 3-65's...........1924	14,224,100	F & A	121	121	....	....	......
" small bonds.....................		F & A	....	....	....	....	......
" registered......................		F & A	....	....	....	....	......
STATE SECURITIES.							
Alabama Class A 4 and 5..............1906	6,859,000	J & J	....	....	....	....	......
" " small..........	....	....	....	....	....	....	......
" Class B 5's...................1906	575,000	J & J	....	....	....	....	......
" Class C 4's...................1906	962,000	J & J	....	....	....	....	......
" currency funding 4's.......1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.							
Louisiana new con. 4's...............1914	10,752,800	J & J	106	106	....	....	......
" " small bonds..........			....	....	....	....	......
Missouri fdg. bonds due.........1894–1895	977,000	J & J	....	....	....	....	......
North Carolina con. 4's...............1910	3,397,350	J & J	....	....	....	....	......
" small........................		J & J	....	....	....	....	......
" 6's.......................1919	2,720,000	A & O	....	....	....	....	......
South Carolina 4½'s 20–40.............1933	4,392,500	J & J	....	....	....	....	......
Tennessee new settlement 3's........1913	6,681,000	J & J	97	94	....	....	......
" registered.....................	6,079,000	J & J	....	....	....	....	......
" small bond.....................	362,200	J & J	93½	93⅛	....	....	......
Virginia fund debt 2–3's of...........1991	18,047,057	J & J	95	93⅛	93½	93⅛	1,000
" registered.......................		J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871	3,974,966	....	7	7	7	7	5,000
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871.....	8,716,565	....	12	6¼	7	7	13,000
FOREIGN GOVERNMENT SECURITIES.							
Frankfort-on the-Main, Germany, bond loan 3½'s series 1......1901	14,776,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.							
Imperial Russian Gov. State 4% Rente....	2,310,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.							
Quebec 5's...........................1908	3,000,000	M & N	....	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's....................	....	Q J	98⅝	90½	....	....	......
Regular delivery in denominations of £100 and £200..........................	£22,162,120	......	....	....	....	....	......
Small bonds denominations of £20	....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.	....	......	....	....	....	....	......

BANKERS' OBITUARY RECORD.

Adee.—Ernest R. Adee, Secretary of the Mercantile Trust Co., New York city, died December 18, aged forty years.

Bowman.—George M. Bowman, President of the First National Bank, San Jose, Cal., died November 27. He was born at Dubuque, Iowa, in 1844. In 1887 he became one of the incorporators of the Garden City National Bank, of San Jose, and in the following year was elected Vice-President, continuing to hold this office when the bank was succeeded by the Garden City Bank and Trust Co. He resigned this office to become President of the First National Bank, of San Jose.

Bushnell.—Asa C. Bushnell, Cashier of the Yale National Bank, New Haven, Ct., died December 15, aged forty-seven years.

Drake.—Charles F. Drake, President of the Bank of Fort Scott, Kan., died December 19, aged seventy-one years. He went to Kansas in 1858, on foot, and practically penniless, but became one of the wealthiest men in the part of the State where he resided. In 1863 he was a member of the Legislature.

Eavey—Henry S. Eavey, who has been engaged in banking at Hagerstown, Md., since 1873, died December 23, in his eighty-fourth year. At the time of his death he was senior member of the well-known banking firm of Eavey, Lane & Co.

Garth.—Granville W. Garth, President of the Mechanics' National Bank, New York city, died December 25, aged forty years.

Gorham.—Geo. A. Gorham, President of the Farmers' National Bank, Houlton, Me., since its establishment in 1890, died November 30, aged fifty-eight years.

Hassinger.—Jacob Hassinger, President of the Germania Savings Bank and Trust Co., New Orleans, died December 8, aged seventy-five years.

Pabst.—Capt. Frederick Pabst, President of the Wisconsin National Bank, Milwaukee, Wis., and head of the Pabst Brewing Co., died January 1, aged sixty-seven years. He was a director in a number of corporations and was a man of great wealth.

Pigot.—Joseph B. Pigot, director and Cashier of the Wallabout Bank, Brooklyn, died December 8, in his fifty-sixth year.

Plunkett.—William R. Plunkett, Vice-President of the Agricultural National Bank, Pittsfield, Mass., died December 7, aged seventy-two years. He was a director and officer in a number of important corporations, and was for several years a member of the State Legislature.

Tower.—Augustus C. Tower, senior member of the Stock Exchange firm of Tower & Sherwood, New York city, died December 28. He was born at Cambridge, Mass., in 1853. In 1877 he graduated from Harvard and in 1879 became a member of the Stock Exchange, of which he was for some time a member of the governing committee. The firm of Tower & Sherwood was formed about seven years ago.

Tyler.—Captain Warren Tyler, Cashier of the Polk County National Bank, Bartow, Fla., and President of the State Bank, Lakeland, Fla., died December 21, aged forty years.

Wainwright.—E. Z. Wainwright, President of the Arsenal Bank, Pittsburg, and largely interested in important business enterprises in that city, died December 20, aged forty-four years.

Wells.—Albert P. Wells, formerly President of the Fifth Avenue Bank, Brooklyn, N. Y., died December 11. He was born in Brooklyn sixty-five years ago and had always resided there. He established the firm of A. P. Wells & Co., cotton brokers, and when the Fifth Avenue Bank was started, in 1887, he became President. Later the bank was absorbed by the Mechanics' Bank and operated as a branch, Mr. Wells becoming a director of the Mechanics' Bank.

Wilcox.—George S. Wilcox, President of the Dime Savings Bank, Cromwell, Ct., died December 4, aged sixty-nine years.

THE

BANKERS' MAGAZINE

RHODES' JOURNAL OF BANKING and THE BANKERS' MAGAZINE Consolidated.

FIFTY-EIGHTH YEAR. FEBRUARY, 1904. VOLUME LXVIII, No. 2.

THE CONDITION OF THE EXPORT TRADE of the United States at the close of 1903, owing chiefly to the high price for cotton, was even more favorable than at the close of the year 1900, when it was claimed that a fund of between two and three hundred millions of dollars stood to the credit of our bankers in European markets. The effect of this experience during the following years was to start the great prosperity boom which led to the speculative excesses that culminated last summer. The foreign balance in 1900 was not to any great extent paid in gold, though some gold was purchased, but it was largely invested in European securities and ships and in importations of goods.

The present balance anticipated from the great exportations of last year undoubtedly places the country in as good a position abroad as it was at the close of 1900. But there is another side to the story. The railroads of the United States have borrowed largely abroad during the past summer, and there may be the Panama forty millions to pay if the canal matter is ever settled on its present basis.

There is a reason why the country should not draw gold for settling the balance even if it had no other use for the money. The unsettlement of foreign money markets, which would undoubtedly result from inordinately reducing the reserves of European banks, might have an injurious effect on foreign money markets, and in the present era of international trade it becomes necessary for the bankers of one country to avoid crippling those of another, just as it is necessary for the banks in any one money market to support each other. In fact, moneyed capital in all parts of the civilized world has become so interdependent that its earning power can only be sustained by carefully nursing every market. If our bankers have a large balance to their credit abroad which is in a situation to earn interest for them, it would be unwise to order it home unless there was some opportunity to use it with equal or greater profit and security

at home. This country has all the money it can use at the present time to advantage, and more gold could only swell the reserves and perhaps induce dangerous speculation.

In the years following 1900 the great credit our bankers built up abroad, and the obligations they had placed foreign bankers under by refraining from pressing for immediate remittance, enabled our bankers to borrow immense sums of foreign capital to use in the various railroad and trust combination enterprises which gradually sprang up. The results of the free hand they had were not altogether happy. The stream of wealth which they seemed to have the control of to some extent turned their heads, and the collapse of some of the great security deals was the consequence, and much wealth was sacrificed when the foreign borrowings had to be paid back.

It is to be hoped, now that Providence has given our financiers another chance, that they will be influenced by so recent a lesson, and use this new opportunity to make good the losses incurred by the extravagance of the last two years.

It is a great advantage to a country when there is a lack of investment opportunity at home, to be able to place its moneyed capital securely and profitably in foreign markets, not directly by investment in foreign securities but through foreign banks who act as their agents. Our financiers thus have in addition to such securities as are given for the loans the indorsement of the foreign banker. When the state of our home markets warrants the return of this capital from abroad, it is to be wished that its influence here will not be to cause a *resume* of such operations as led up to the catastrophe of the summer of 1903. It would be almost inconceivable that the general public could again within so short a time show a willingness to be led into a second investment in undigested securities.

If, however, the successes of the last months of the present year are to repair the disasters of the era of speculation, the result will be that large sums of money will come into the possession of the general public, just as was the case when the proceeds of the exports of 1900 were finally realized by the real beneficiaries. The profits of the exports of 1900 went largely to the North and West. Those of the last year, being derived chiefly from cotton, will go more to the South. Whether the general prosperity of the country will be enhanced, depends on a number of considerations. It largely depends on the actual profit there has been to those who have produced the commodities and manufactures exported. It may be that raw material needed at home has been sent abroad, and the effect might be to depress some of our own industries. But it is almost impossible to conceive that so great a business has been carried on without returns to some, probably the greater part of those concerned in it.

THE LACK OF ELASTICITY of the National bank note, based as it now is on the security of Government bonds, is deplored by the Secretary of the Treasury and the Comptroller of the Currency. Neither of them suggests any remedy, and perhaps no remedy can be suggested which will be free from the danger of lessening the safety of the bank-note paper.

It may be admitted that the experience of the past forty years during which the National banking system has been in operation has proved that the aggregate bank currency has varied in volume with the fluctuations in the price of bonds. But does this positively prove that this want of elasticity or inability to respond to the needs of business by expanding when the rates for money were high and diminishing when they were low, is inherent in a currency secured and made safe by the deposit of a special security in the hands of the Government? Are there not other conditions which have aided in bringing about the rigidity of the bank currency during the last forty years? In other words, has the principle of a secured bank note been at fault so much as the way that principle has been applied?

The Government bonds used as the basis of bank circulation have had an upward tendency in the markets as the credit of the Government has improved, which has not been as yet fully counteracted by repeated refundings and exchanges at lower rates of interest. The bonds have continually been subject to the competitions of the banks and the outside public. For nearly the whole of this forty years the National bank note has had to compete with issues of Government notes, of silver dollars and silver certificates, by which the aggregate of the currency has been kept at such a high point that there was no real business motive for increasing or diminishing National bank notes. Until 1900 the proportion of circulation issued on bonds was ninety per cent. only and in many parts of the United States circulation was unprofitable. The surplus revenues of the Government, and the inducement to the banks to use bonds as security for deposits of public moneys, introduced another element into the competition for bonds and tended to raise their prices.

If the bonds had borne a rate of interest which would have kept them near par in the market, and if the amounts of Government notes and certificates had been fixed, and the Government surplus had been small or non-existent, and if circulation had been issued to the par value of the bonds, and if there had been no restriction on the retirement of notes by the banks, it is believed that the issues of the banks would have been measurably responsive to the wants of business.

These conditions have been very nearly realized at the present time. There can now be no increase in Treasury notes or in silver

certificates or no coinage of additional silver dollars. Circulating notes are issued to the par value of the bonds deposited. The two per cent. bonds now bear such a low rate that the ordinary investor would not care to hold them. The market price they bring is entirely responsive to the bank demand. If this bank demand were solely for circulation purposes, the bonds would command even a less premium than they now do. But if the Government ceases to have a surplus, as is now predicted by the Secretary of the Treasury, the demand for bonds to be used as security for public moneys will grow less, and the bonds now used in this way will be released for circulation purposes.

There still exists one very unfavorable factor, and that is the law which prevents banks from retiring more than three millions of dollars of notes in any one month. If this law were modified or repealed, and other conditions remain as they now are, for the coming year it is believed that the National bank-note currency would begin to manifest a degree of movement which would show that the principle of special security does not necessarily prevent elasticity. Probably this movement would not show itself simply in a change of aggregate amount. It would show itself also in a constant redistribution of currency, retirements in one section being reissued in another. The fluctuations in the price of bonds would be slight and only such as were caused by the pressure of business on the banks

The retirement of National bank notes during the last summer and the increase during the fall months are, it is believed, indications of the possibility of elasticity in a secured currency under favorable conditions. If this is so, the attention of Congress should be turned to making the present conditions still more favorable by removing or enlarging the limit now imposed on the retirement of notes. If fears of too rapid contraction should prevent the entire repeal of the law, the limit of retirement might at first be enlarged to $10,000,000 per month.

THE HIGH PRICE OF COTTON, combined with the fact that the crop, while not so large as the average, was yet a very large production, has given rise to speculation whether the demand for cotton has not reached a point which will insure much higher prices for the future than have usually prevailed. Some insist that the demand has now outrun the possible supply; that the United States cannot be counted on to produce more than an annual average of ten million bales.

It is possible that the exhaustion of land and the ravages of the boll weevil may for some years to come reduce the crop in this coun-

try, which as yet is the main dependence of the world. It is also possible, however, that these drawbacks have been overestimated.

In raising any agricultural product there are always periods when the demand seems to outrun the supply. Any staple is liable at times to be raised in such quantities that the price falls below that affording profit to the producer. The latter becomes in a way discouraged and through the circumstances in which he finds himself, his land being adapted and fitted for nothing else, he keeps on in a listless and perfunctory manner, using less and less capital, and producing less, until the general effect is to diminish the supply. The demand, however, is enhanced by low prices, and at last a point is reached when the supply is insufficient and the price rises. Now the tide begins to turn and the producer receives something to compensate for his lean years. Encouragement ensues, and newer land and better methods of production enhance the quantity of the staple. It has been so with wheat, and it will probably be so with cotton. Those who produce other crops of less general importance are well aware of these vicissitudes. The period of high prices depends upon the time that it takes to prepare or renovate the ground and that required by the growth of the plant. To take an extreme case: An apple orchard takes fifteen years to come into bearing. If high prices for this fruit prevail because of neglect of or dying out of orchards, the man whose trees have just come into bearing may reasonably count on at least a decade of fair prices before competitors can enter into competition with him.

While the land now cultivated in cotton in the South may be to some extent exhausted, yet there are still tracts which can be brought into cultivation. Better methods of cultivation also will be induced by fair prices. In fact, it is as yet hardly fair to assume that the maximum crop has been reached until the effect of better prices on the cultivation of cotton has had time to show itself.

THE SURPLUS RESERVES of the New York city banks are naturally regarded as the measure of monetary conditions, not only in New York city but throughout the country. A good bank statement shows an increase and a bad bank statement a decrease of the surplus cash reserve.

The National Banking Law recognizes money centers, and has always recognized New York city as the great money center. This is a recognition of a fact that could not be disputed. Some would-be economists, in and out of Congress, have from time to time thought that this tendency of the cash reserves to accumulate at certain centers was the result of the reserve law, and have suggested modifica-

tions of the law in order to counteract this tendency. The only result of this phase of opinion has been to apply the law to Chicago and St. Louis, the natural money centers of the West, in the same manner as it was applied to New York. In so far as these cities were actually points to which the cash circulation tended, they have perhaps benefited by the law, but where the law has artificially caused larger cash reserves to be kept in those cities than were naturally demanded there, it must have caused some loss of profits to the banks. The circulation of money throughout the country naturally follows the course of trade, and although law may modify and obstruct this circulation to some extent, yet its effect is comparatively slight.

The cash reserves of New York city, therefore, remain the barometer of monetary conditions notwithstanding the rivalry of the two Western money centers.

The experience of the last half century has shown invariably that after a financial crisis, during the period of recovery from a shock to credit, the cash reserves gradually increase, rates for money fall, and the banks find difficulty in profitably using the money that flows towards them. After the crisis of 1873 before the resumption of specie payments the dead load of surplus reserve carried by the banks, and particularly by the New York banks, was especially noticeable. There was then no way of changing the paper money into gold and silver coin which could be used in foreign money markets. Since the resumption of specie payments the banks could avail themselves of foreign markets, and although the tendency of money to accumulate in the banks at the money centers was as strong after the financial crises which have occurred since the resumption of specie payments, yet the banks have by degrees learned how to prevent their surplus reserves from remaining stagnant.

As long as there existed uncertainty as to the maintenance of the gold standard, the demand for gold for export resulted in an aggravation of the situation, by tending to lower the credit of the paper currency and retarding the revival of credit and enterprise at home. Since the enactment of the law of 1900, which recognized definitely the gold standard, and the enormous increase in the gold reserve of the country which has ensued, the use of money abroad when the market at home is dull no longer arouses any fear that the paper currency will be in danger of depreciation. The gold certificates alone, representing the stock of gold held outside the Treasury, form an immense margin of protection to the gold reserve held by the Treasury, against the legal tenders directly and indirectly against the silver certificates. No one therefore feels any apprehension that the transfer of such cash as is not required at home to foreign markets will give rise to any lack of confidence in the paper currency of the

country. The profits which may arise from the use of our idle money abroad will to some extent make good the losses from depression of business at home.

The growth of the reserves at the money centers, and especially in New York city, can now be regarded with more complacency than they were looked upon during the years when the agitation over silver tended to cast doubt on the soundness of our paper currency. The increase of surplus reserves, where it is not accompanied by an increase of loans, would be a symptom that business depression was still dominating the markets, but accompanied by a healthy increase of loans at the money centers such an increase shows that while there may be some depression in perhaps numerous lines of business, there is a process of redistribution going on that will result in new activities.

The winter has so far been an exceptionally hard one, and the enterprises requiring outdoor labor are at a standstill. For this reason alone it might be expected that the funds required throughout the country would be less than usual. The general condition of the money markets appears to be encouraging rather than otherwise.

THE ACTION OF SECRETARY SHAW last summer in accepting State and city bonds as security for public deposits seems to have opened the door for the introduction in Congress of legislation which, if finally enacted as law, would give a great impetus to the contraction of municipal debt.

Representative PRINCE, of Illinois, has elaborated a plan for disposing of the surplus revenue of the Government, by its investment in State and municipal securities. The effect of the measure he proposes would be to secure interest for the funds which now lie idle either in the independent Treasury or the designated bank depositaries.

It is a very plausible and taking idea, that the Government should enter the investment field, in the same manner as a private individual, and by availing itself of its surplus capital increase the public revenues for the benefit of the public. In behalf of such a measure it is argued that the Government bonds now outstanding, with the periods of their redemption fixed, do not afford a suitable outlet for the surplus, which it is assumed will usually exist under the present laws. The evils of withdrawing this surplus from the channels of business circulation are well known by sad experience. The remedy for these evils—deposit with National banks—is criticised as affording opportunity for favoritism and perhaps corruption, although so far no charges of this kind have been seriously made in regard to the use of

National bank depositaries during the long period of forty years since the inauguration of the National banking system. Undoubtedly there has been some rivalry and jealousy among the banks.

The State banks naturally do not take kindly to a privilege exclusively enjoyed by the National institutions, and National banks designated as despositaries of public money excite the envy of those that are not; but apparent favoritism can generally be explained by the circumstances which render necessary the designation of depositaries. The Secretary must designate such banks as are the most conveniently situated for the reception and transfer of funds and which comply with the law as to the furnishing of security.

It is hardly to be apprehended that there will ever be any great danger of abuses arising as long as the Government requires its own bonds as security. As has been pointed out heretofore, the modification of the rule as to security, by receiving State and city bonds, might prove an entering wedge for favoritism in the allotment of public moneys to depositary banks.

But even if there were graver objections than have yet been put forward to placing surplus with the banks, it is difficult to see how such a measure as that introduced by Mr. PRINCE would prove a safe substitute for the present method of returning the surplus to the channels of circulation. If the Government enters the market as a purchaser of municipal and State bonds, it is obvious that there would be a rise of price in these securities whenever the purchase was made. When the Government needed its money, it would have to throw the bonds on the market, and prices would tend to fall. The Treasury could not, to the same extent as a private investor, sell only when the price seemed favorable. If the surplus was large it might happen that the amount of these securities held by the Government would be such a share of the whole amount outstanding as to practically deluge the market and force prices down.

There is already an object lesson in the stock of silver now owned by the Treasury. No one can doubt that the Government would seriously depress the price of silver, if it attempted to make sales of any of the stock it now holds.

No private individual or corporation could for a moment compete with the Government, if the latter should undertake any kind of business. The proposition is virtually socialistic.

The dangers to be apprehended from the Government becoming an investor, for the sake of obtaining interest on its idle money, are much greater than those to be apprehended from the use of banks as depositaries, even if the banks were not required to deposit security. The occasional losses that might be incurred from bank failures would cut no figure in comparison with the losses both to the Government

and the people from undue speculation in State and municipal securities that would surely follow if the Government should be placed in the position contemplated by the PRINCE bill. There is, however, little danger that this measure will become a law. The radical departure from the former precedents of Treasury management would preclude its adoption even if the danger of future surplus was greater than it now is. But as the threat of the surplus becomes less, Congress will regard extraordinary projects for taking care of it with less favor.

THE PRICE OF BRITISH CONSOLS continues low, and financial experts are at a loss to account for the failure of these securities to recover from the decline incident to the Boer war. After the close of the war it was expected that this standard security would rise and maintain itself at par, but in fact consols have remained at a level lower than the average while the war was still in progress. Various explanations have been offered, some of which are no doubt extremely reasonable. While the war lasted the price was maintained because it was believed that when the war ended the price would rise and so make them a good speculation. The war loan was taken by syndicates which furnished the money by borrowing from the banks, placing the consols as security and expecting the public to take them at the rise at the close of the war. Apparently the public has not done so, and the banks calling their loans have forced too large quantities on the market. But consols are not undigested securities. They are on the contrary considered the best permanent investment in the world; that is, if one is contented with their income rate. Moreover, the Transvaal loan since the war is virtually guaranteed by the British Government, and may be a factor in adding to the bulk of Government loans now offered to the public. But all this does not really explain why these securities, of such indubitable solvency, are not in sufficient demand to raise their market price at least to par.

It is not a question of particular interest in this country except for the reason that it may involve phenomena in the financial world which will have an effect on all Government securities not only in Great Britain but in the United States and elsewhere. During the last half century there seems to have been a constant rivalry between governments to reduce the rate of interest on their public debts to the lowest possible point. The lower the rate at which a government could borrow, of course the greater the credit. The last half century has witnessed some remarkable feats of financial statesmen in refunding masses of debt at lower and lower rates. In view of these successful performances, there have been many speculations

as to what might be the limit of government credit as thus indicated. Could it be possible that a time might arrive when the public might entrust funds to the Government simply for safe keeping, that is, enable public loans to be made without any interest at all? This is not inconceivable were private investments to become so uncertain or deficient, while government credit was maintained. The capitalist afraid or unable to avail himself of private investments might possibly entrust his funds in this manner to the government.

Instead, however, of there being any tendency to the deterioration of private investments, there has been a trend in exactly the contrary direction. During the time when governments were successfully lowering the rate on their public debts, there was not the same confidence felt in the securities offered by railroads, States and municipalities and the numerous industrial enterprises, that is now felt. These securities were still in an experimental stage, and it may truthfully be said that many of them still remain in an experimental stage. But enough of these securities, outside of national debts, have been tried and tested and found so reliable that they are now serious competitors with government loans. They bring a higher income rate as a rule, and while theoretically they may not be as secure as the national debts, they are practically as safe.

The citizen is now relieved of the care and management of such securities and protected by the great trust companies. Formerly, when an investor held bonds of railroads and other corporations, if anything went wrong, he had to make his fight as an individual. Now the trust companies stand in the breach and are enabled to force the fulfillment of contracts by great corporated bodies with a force equal to their own. The trust company exerts the power of combination in behalf of the individual. The investor looks to his income. No one can expect that he will invest in governments at a low rate, simply because they are secure, when he can get a higher rate on other securities, which are now practically as secure as governments.

The upshot of all this is that where twenty or twenty-five years ago government securities had few competitors in the investment market, they have many to-day. Moreover, these competitors are not confined to the home market of any particular country. A British investor can find safe and income-paying securities in the United States, in France, or in many other countries, and vice versa. There is a solidarity of finance in an international sense not dreamed of a century ago. The protection of private property in war has gone so far that securities at least would never be repudiated because of national hostilities.

The high price of the bonds of the United States appears to be an exception at the present time. The income rate on them is very low, or at least appears so at first sight. But the main reason of this is that their apparent rate of income is supplemented by their use in banking. Another reason is perhaps the small amount of the national debt. Nevertheless, were these bonds deprived of their function of security for bank notes and deposits of public money, it may be believed that our two per cent. bonds would fall below par, and show the same tendency to remain there as do British consols.

While the competition of other better-paying investments lasts, it is probable that governments will have to pay market rates for loans. They can no doubt please themselves by fixing the nominal rate as low as they feel authorized by custom and precedent to do, but the price at which they can sell such bonds will be fixed by the average income-paying power of the securities offered which are practically in the same class with governments. Of course the special reasons which affect the prices of government evidences of debt will vary in each country. Nevertheless, the general rule will be the same. Governments will no longer have the same advantage they once had of offering the only security that was generally regarded as absolutely safe. They may still offer something that theoretically may be admitted to be the best form of security, but it is not now under ordinary circumstances enough better to compensate for taking a lower rate of interest.

It is this new condition of the investment markets of the world which has become prominent within the last ten years which, we think, helps to explain the low price of consols. The same influences will no doubt by degrees more or less affect the prices and rates of all government securities.

Congress is so engaged with the Panama matter, and with trying to make political capital for the presidential election, that any financial legislation except by indirection, that is except what may grow out of the future evolution of affairs on the isthmus, seems to be further away than ever. The general attitude at the present time in the financial world seems to be one of waiting for something to turn up. The outbreak of war in the East, which is always imminent and yet deferred, the beginning of the construction of the inter-oceanic canal, either one or the other or both, would give an impulse which might break up this period of inactivity.

Probably the absence of any general signs of activity in business is now an excellent thing for the country. The lull may be that which is said to precede the storm, and is natural enough at this sea-

son of the year, and may also masque solid preparation for the coming spring and summer.

If the negotiations between Russia and Japan are brought to a favorable conclusion, and the inter-oceanic canal scheme is postponed indefinitely to meet political exigencies, the business of 1904 will have to run its allotted course without the aid it might receive from extraneous stimulation. There is every reason to believe that there will be a much closer contest than that of 1900 between the two great parties, and that political excitement will run very high. Presidential years as a rule are not regarded as good business years, although with good crops the real or supposed detrimental effect of politics is easier endured. Throughout the whole country there seems to be a prospect of great unrest in political circles, though there is a lack of clean-cut political issues. Party lines are not very distinctly marked either on the monetary or tariff question. The main question at this time, when there seems to be no plain policy marked out by either party, seems to be one of administration. Although the faults of the party in power in this respect may not have been important, yet they afford a handle which their opponents can use to their own advantage. When the voters see no distinct and important issues which draw them to the one side or the other, there is apt to be a very large number who are influenced by the simple desire of seeing a change. The duller business turns out to be, the greater the influence of this feeling.

THE MONEY MARKET has been agitating itself over the expected decision in the Northern Securities merger case. The results of the decision are very vital to the railroad interests of the country. It is of great importance to know what the highest court will say as to the right of controlling railroad management by corporate power. Doubtless the suit and the decision so far made have given a check to railroad enterprise in this direction, and this check has been perhaps very far reaching. All those who are in control or who purpose to obtain control of roads have paused and are marking time until they know the result. But the mere rendering of the decision will not probably have any serious effect on the value of railroad securities. If the Northern Securities Company is declared to be a corporation formed to carry on a business in contravention of law, the only effect will be to put things back where they were before the corporation was formed. The railroads will not be destroyed or their earning capacity lessened. If on the other hand the decision affirms the right of the company to exert its powers, then other companies of like nature will be formed unless Congress shall pass a law preventing it.

THE PRESIDENTIAL CAMPAIGN AND ITS EFFECT ON BUSINESS.

Does the presidential election affect the trade of the year in which it occurs, or is this belief only a fallacy founded on coincidence or accident? If, for instance, 1903 had been the year of the presidential election it probably would have been asserted without doubt and with all candor that the summer crisis was the result of the uncertainty and excitement attendant on the political struggle.

The prospect of a possible change of party as the resultant of the struggle and the inauguration of a different policy which might affect trade unfavorably, or the choice of men in either party as candidates whose records and reputations might lead the country to expect novelty of action, are reasonable causes why business men might become timid and irresolute. Some presidential years have been years of depressed business no doubt, and perhaps enough to give some ground to the generally-received belief that the presidential election has an unsettling effect on general prosperity.

It can be believed that the psychological effect on the popular mind after this tradition is fairly established might be observable. It becomes somewhat like the belief in lucky and unlucky days. The prophecy often tends to bring about its own fulfillment, and the mental effect of a universal belief, though unfounded in essential fact, is always great.

There are no essential facts on which to base any faith in the proposition that the presidential year is a bad one for business, or for that reason any worse than any other year. In the last forty years bad years for business have often recurred, but they were as often non-presidential as otherwise. When a bad year comes, however, any prominent event taking place therein is likely to be made the excuse and the scapegoat for the disaster. The panic years of 1873, of 1893, and others of almost equal fame, were not presidential years. Each of them followed the year of a presidential election and it might with some plausibility be urged that the evil effects of the elections of 1872 and 1892 were carried over and culminated in 1873 and 1893. But with the same reason it might be urged that anything bad taking place within the presidential term should be ascribed to the evils of the election year.

This unfounded fear of the effects of election excitement on business ought to be laughed down. Excitement and animation of the popular mind for any other reason are not considered bad for business. While there may be some temporary diversion of attention to political matters, such as is usual on the part of the ordinary voter, this does not as a rule draw him more from his ordinary occupation than do his customary amusements in other years. The political excitement of the year in most cases takes the place of other relaxation. Then again, in a presidential year a great deal of money is spent, and the free circulation of money has never been considered as bad for business.

In those years when financial crises did happen, there is no way of tracing them to the influence of political excitement. The panic of 1884, as an

instance, was the result of the Grant & Ward failure and of the involvement of the Metropolitan National Bank in the railroad schemes of George I. Seney. There was nothing political in it.

This ban on presidential years is of a piece with the philosophy which ascribes prosperity and hard times to the influence of political parties, and would give Mr. McKinley credit for the boom crops of 1898 and blame Mr. Cleveland for the panic of 1893. The great events of the presidential year are the great nominating conventions. These do not occur usually until June or July, after all the spring trade is over and the summer vacations have commenced. Here is already a good six months' business dône, and no sensible business man, circumstances otherwise favoring him, is going to lie down and refuse to seize opportunities because this or that candidate is to be nominated in June or July.

On the other hand, the man who is not prepared to do business or who for some reason or other does not wish to do business, will perhaps urge the political excitement as a reason for his inaction. It would be the same with him in any year, but he would have a different excuse ready. There are always a large number of citizens who through fault or misfortune are constantly obliged to find excuses for themselves, and this is less difficult in the presidential year than at other times. If a banker wishes to refuse to make a doubtful loan, or a capitalist desires to evade the pressing promoter, the presidential year furnishes a plausible and graceful excuse.

As to the possible effects on business of changes in policy which seem to be in the air, the currency, the tariff or what not, there have been too many of them in the history of every business man to have an additional one dismay him very much if a new undertaking commends itself to him. Change, threatened or realized, has been the order of the day in the United States, and there are no people in the world more accustomed to discount anticipated trouble and go right on with business than the business men of this country.

There is no reason to think that 1904 will be a bad business year because it is the year of the presidential election any more than because it is leap year. It may be bad for business or good for business, but not either way because of political agitation. But as this belief in the malign influence of presidential elections seems to have gained some foothold, it might be well for some of our scientific observers to examine into the real facts, scrutinizing the past and keeping tab on future events as they occur. Perhaps thus the question may be set at rest.

FINANCIAL BILLS REPORTED.—A sub-committee of the House Committee on Banking and Currency on January 13 voted to report to the full committee the Prince bill, requiring the Secretary of the Treasury, under certain conditions, to invest not exceeding $100,000,000 of the Treasury surplus in gilt edged State and municipal bonds and to sell them at auction if the surplus becomes low.

A favorable report to the committee was ordered on a resolution calling on the Secretary of the Treasury to furnish the House with the names of all National banks which are Government depositories, together with the amounts of the deposits; also on a bill to allow National banks to loan money on real estate, limiting such loans to forty per cent. of the value of the land and twenty-five per cent. of the capital of the banks.

RALPH M. EASLEY

Chairman Executive Council National Civic Federation

THE RELATIONS OF LABOR AND CAPITAL.

[In the opinion of many bankers and others the present relations between labor and capital are a menace to the continued prosperity of the country. Believing that a full discussion of the subject will tend to a right settlement of existing difficulties, THE BANKERS' MAGAZINE has secured a number of special articles from representatives of both sides of the controversy. The first article, published in the November issue of the MAGAZINE, was contributed by David M. Parry, President of the National Association of Manufacturers; also President of the Citizens' Industrial Association of America, recently organized. In the December issue the views of Samuel Gompers, President of the American Federation of Labor, were presented. Ralph M. Easley, Chairman of the Executive Council of the National Civic Federation, continues the discussion in an interesting way in this number.]

RECONCILING THE CONFLICT BETWEEN EMPLOYERS AND EMPLOYEES.

By RALPH M. EASLEY, Chairman Executive Council National Civic Federation.

One of the assets, if it may be so expressed, of the great anthracite coal strike has been the general awakening of interest in the industrial question. The "empty coal-bin" carried it home to practically every citizen. Prior to that strike, the view of the labor problem taken by the public was more or less academic and generally colored by local conditions. The rapid development of industry during the past fifty years has so revolutionized methods of production and distribution that innumerable and most intricate problems have arisen which only some such tremendous jolt would bring to public view. The great coal strike turned the inquiring mind of the public toward the questions lying back of industrial disturbances, such as "fair wages," "shorter hours," "the open shop," "boycotts," "black lists," "piecework," "restriction of output," "opposition to machinery," "minimum wage," "apprentices," "sympathetic strikes," "recognition of the union," "integrity of contracts," "jurisdictional quarrels between unions," etc. These it found to be not only burning practical questions with every employer and employee, but also interesting from a general sociological and scientific point of view.

THE PIECEWORK SYSTEM.

Take the simple question of piecework, which has caused so many strikes, and which nearly led to the tying up of two large railway systems recently. The public hardly knew what the question meant. A most scholarly and eminent citizen wrote it "peace-work." But in the manufacturing world they would never think of spelling it that way! The Machinists' and Boiler Workers' Unions oppose piecework, while the Hatters' and Glove Makers' Unions will fight for it. The International Association of Machinists is so pronounced in its hostility to piecework that at its annual convention last year it voted to refuse to work by that system after July 1 of this year, and to go to the extreme of calling a general strike, if necessary. The Industrial Commission gives a list of twenty-eight national labor organizations that pre-

fer piecework and twenty-two that forbid it. In England there have been more strikes to secure piecework than to prevent it. The same difference of opinion exists among employers, some being willing to order a lockout, if necessary, to force piecework in their establishments, while others insist upon day labor, believing that system to yield a better quality of work. Back of each of these positions there is an apparently good reason. The bitter hostility of the unions to the piecework system springs from the fact that after fixing a scale of prices for work by the piece, employers, when not checked by a union, often arbitrarily reduce the scale of prices for work upon finding that some of the men are making what they consider too high wages. Here the union comes in and says in effect to the swiftest workers, "You must slacken your speed. By employing all your energy you do not help yourself, for you are reduced at once by your employer, while you are forcing those less speedy to a starvation basis or to over-exertion that destroys their health."

This tendency of the employer thus arbitrarily and selfishly to reduce the scale of wages is so pronounced and recognized by employers themselves that a new plan is being introduced by some manufacturers called the "premium system," which undertakes to remove all cause for the fears of the workingman, and at the same time secure to the employer the benefits held out by the piecework system.

THE OPEN SHOP.

The open versus the closed shop is another question that has especially come into prominence the past year; and from the fiery speeches made by the leaders of the opposing sides, one would judge that there is no way out short of the utter annihilation of the unions, if the open shop should prevail, or the extinction of the non-union man, if the closed shop should be adopted. As both Mr. Gompers and Mr. Parry state the matter, there seems to be an "irrepressible conflict;" but, while theoretically the open or closed shop problem seems to be impossible of solution, practically it is being worked out every day. There are closed shops which are working satisfactorily and they are not criminal conspiracies against the public; and there are open shops operating successfully, and the unions accepting such have not gone to pieces, but are stronger to-day than they ever were.

Is there not a great deal of fustian put out on both sides of this question? We are told with great, ponderous eloquence that it is "unconstitutional," "un-American" and "infamous" for an employer to agree to employ only union men. We are told on the other side that an employer who should discriminate against union men would be violating every principle of justice and equity, and in some States the penal code. Is it not possible that both are overdoing the matter just a little? For instance, many employers insist on emphasizing vigorously the liberty and rights of the non-union man, and those rights should be fully protected; but are there not also some rights, and some liberty of action, due the employer? For example, if he wanted a hundred men to perform a certain piece of work, and thought he could secure better service by employing only non-union men, or only union men, only Germans, only Irish, only Catholics, or only Methodists, would it not be his right to so discriminate? And would it be anybody's else business? This, of course, does not apply to labor employed by the Government—City, State or National—but to an individual employer.

Is there not a great deal of human nature in this open shop question? When a union leader goes to an employer and says, "If you don't discharge that 'scab' in an hour, we will tie you up," or "If you employ any non-union men, we will call a strike and put you out of business," the old Adam at once arises in Mr. Employer and he frequently responds by kicking Mr. Agent out of the office. But suppose this same agent should go in and say: "Mr. Employer, we want to make a contract with you to do your work. You want your work performed in a good workmanlike manner, under such conditions and at such rates as we may mutually agree upon. Now, we don't object to working with non-union men, but if you will make an exclusive contract with us, it will put us in a position to discipline and control our men so that we can enforce our contracts, and we can guarantee you better and altogether more satisfactory work." In other words, does not that place the proposal on a business basis? What freedom of contract, or what liberty of action, would be violated by such an agreement? What essential difference is there between that proposition and the common everyday agreement made in the mercantile world between manufacturers and dealers wherein the manufacturer says to the dealer, "If you will handle our goods exclusively, we will make you a discount;" or, as testified to by a manufacturer in a case recently, "If you will make the statement every ninety days that you have sold no goods made by our competitors, we will allow you a discount of ten per cent?"

When Smith lets a contract for a house, the contractor, of course, hires all the men. Smith may never see them, nor does he know whether they are all Catholics, Protestants, Germans, Irish, union or non union men; and in fact he has nothing to do with it, and cares nothing about it. In the case of the Longshoremen and the great lake carrying companies, the union contracts with the employer in just about this manner.

A good illustration of the human nature that crops out in this question came under my notice recently when a conciliation committee, which had worked for a week to settle a strike involving several thousand men, finally secured an agreement upon everything except the disposition of five non-union men. They had been taken in during the strike. The employer said that under no circumstances would he discharge those men at the command of the union. The union emphatically said it would not go back to work until the "scabs" were discharged. Consultation developed the fact that these particular five men were incompetent and undesirable in every respect, but the employer stood on the principle involved and rightly refused to "throw them down," as he put it. The committee prevailed upon the union to give up its contention and go back to work with these men. When the union finally yielded, the leader called up the manufacturer and said, "Well, we will go back to work to-morrow morning." The answer, delivered in a tone as snarling and bitter as it could be made, was: "Well, you will have to work with those non-union men if you do." "All right," was the leader's reply, in his best "Sunday voice," "there won't be any trouble about that." On reaching the shops the next morning they found that the employer had discharged every non-union man.

When an employer makes a demand for an open shop on the public pretense of securing liberty for the non-union man, but privately announces that with the open shop he will "smash" the union, it can hardly be expected that the union will submit. If, as some employers claim, the open

shop means the death of the union, one certainly cannot blame the union for fighting for its life. On the other hand, if a closed shop means the absolute control of all the business of the shop by the union, leaving the employer only to pay the bills Saturday night, then the employer cannot be blamed for wanting to "smash" the union. However, these extreme positions, I believe, are both unnecessary evils, which patience, tact and forbearance will remove in time.

While I believe the employer has the absolute right to make an exclusive contract with the union, I have just as strong a conviction as to the legal rights of the non-union man to determine for himself, without coercion, whether he shall belong to a union, or not, and to work without molestation wherever employed. There is no legal conflict between these two rights.

The bitter feeling toward the non-union man in this country is marveled at by the trades union leaders of England. In many of their contracts there is a clause stipulating that they work with non-union men; but this state of affairs did not always exist. The English unions passed through the bitter stage several generations ago, and doubtless the broader spirit will eventually control in our unions. It is hard to believe when one now sees the tolerance and fraternizing of the various religious denominations, that at one time they were burning one another at the stake on account of differing views.

The Restriction of Output.

The question of "restriction of output" is one that has called forth great denunciations of unions and has been the cause of much friction. Many of the union leaders indignantly deny the charge, but they speak from their own craft experience only. There are unions that deliberately place a limitation on work and do it openly in their by-laws, and, generally speaking, all the union rules and methods, whether governing membership, apprenticeships, working with non-unionists, the minimum wage, piecework, machinery or output, are in some form a restriction upon the employer, and have come into vogue to protect the members at some point where they feel that competition will be destructive. But this natural desire to prevent destructive competition is so universal that it is not fair to stop the inquiry with the labor union. It is common to capitalists, farmers, the professional classes, and merchants as well.

The merchant who cuts prices is just as reprehensible in the eyes of the other merchants as is the non-unionist who cuts wages in the eyes of the unionist. The tactics employed in the mercantile and in the labor worlds to deal with the common enemy, the price or wage cutter, are almost identical. Purchasers of holiday books will doubtless remember finding a printed slip in each one containing the following:

"In accordance with the agreement of the American Publishers' Association, which went into effect May 1, 1901, this book must be sold at retail at the published price without discount."

Now, back of that simple little statement there is a history of a combination between ninety-five per cent. of the publishers of all kinds of books and magazines in the United States, and about ninety per cent. of the wholesale and retail booksellers. The publishers made an iron-clad agreement among themselves that they would refuse to sell books to any booksellers who cut prices. This combination between the publishers and the booksellers was so

advantageous that the sellers helped to compel the independent publishers (the "scabs") to join the publishers' organization. As these organizations have existed only three years and include practically all the old-established publishing houses in the United States, I will quote verbatim from the official circulars recently produced in court:

"By special arrangement entered into with the organization committee of the American Publishers' Association, the members of our association are bound not to buy, not to put in stock, nor to offer for sale the books of any publisher who shall finally decline to co-operate with us in the maintenance of the net price system by joining the American Publishers' Association and issuing books under the net price system. Inasmuch as the publishers have carried out their part of the agreement upon which our contract was conditioned, it now becomes necessary for us to preserve our part of the agreement. We had sincerely hoped that you would be pleased to join the American Publishers' Association and co-operate with us through it in the maintenance of the net price system; and if you will take the matter into consideration at the present time, we are confident that you will now join the Publishers' Association and not compel us to take final action in this matter. We inclose a copy of the last issue of the Booksellers' Bulletin. By referring to page 6 of the Bulletin you will see that one publisher has already been cut off by the members of our association. We sincerely hope it will not be necessary to extend the list. Very truly yours, AMERICAN BOOKSELLERS' ASSOCIATION."

The resolution on which the above notice was based is as follows, adopted by the American Booksellers' Association June 17, 1902:

"*Whereas*, All publishers of trade books still remaining outside of the Publishers' Association have been repeatedly invited by us to join the organization and through it co-operate with us in the maintenance of the net price system; and,

Whereas, Such publishers of general trade books as still remain outside of the Publishers' Association are continuing to sell their publications to the few persistent price-cutters, and thus encouraging them to continue their opposition to the net price system; therefore,

Be it Resolved, That we, the American Booksellers' Association in convention assembled, do hereby instruct our secretary to give final notice to such publishers that it is our intention to apply Reform Resolution No. 1 unless they immediately join the American Publishers' Association and co-operate through it with us in the maintenance of the net price system; and therefore,

Be it Resolved, That should any such publisher on receiving such notice decline to co-operate with us by failing to make application to the American Publishers' Association after receiving final notice, the secretary shall promptly issue notice to all members that Reform Resolution No. 1 is thereafter to be applied to such publisher, and all members shall discontinue handling the books of such publisher as provided by Reform Resolution No. 1 until further notice."

As a further illustration of the methods adopted and the success with which they were carried out, the following extracts are given from a circular letter sent out by one of the publishers:

"Several things have already been demonstrated of interest to the entire trade in connection with the 'no cut rate' movement.

1. The substantial loyalty to the association of all dealers. In only one case (up to date of this letter) has there been any cutting of price—one large department store in New York city.

2. The vigor and promptness of the association to punish those who violate its regulations. The association immediately took steps to assure itself that the cut in price was deliberate and intentional. The entire wholesale publishing trade was at once notified not to sell a *book of any kind* published by the members of the American Publishers' Association to the offending concern. There is every indication that this order will be loyally carried out by all publishers and wholesalers."

The two organizations above referred to claim they took the only course open to prevent the "demoralization of the trade" by department stores, "home library" and "mail order" agencies, but the methods are strikingly similar to those of the labor unions.

Everyone is familiar with the bitter warfare that has gone on for years between the "cut price" drug stores and the wholesale dealers and manufacturers of proprietary remedies. In fact, the whole commercial world is honeycombed with definite organized efforts to prevent what each trade would term destructive competition, and, in conducting the various fights on these propositions, the boycott, spies, and, in some cases, physical attacks, have been employed. Even the recent disgraceful conduct of the livery drivers in Chicago, where burial of the dead was interfered with, finds its parallel but not justification in the conduct of the "coffin combination," which in many cities has carried its fights against the independent coffin companies to the same disgraceful limit. In one western city, the fight became so bitter that attachments were taken out for the corpses by the rival companies, and, in another, because a man had had an undertaker who handled independent coffins, he could not secure a hearse nor a public conveyance and had to take the remains to the cemetery in a grocery wagon.

While the limitations and restrictions by unions have caused wholesale condemnation, little or no attention is paid to the regular meetings of manufacturers and dealers at which they openly discuss and agree upon prices and limitations of output. The "New York Commercial" of January 2 contained the following statement, which is certainly to the point:

"The power of the Steel Corporation has been demonstrated by its ability to maintain high prices for its finished material in the face of a falling off of something like sixty per cent. in the demand for steel, and reductions ranging from forty to fifty per cent. in the price of pig iron. This has been accomplished through the various pools which have been formed for the purpose of regulating prices and output. Practically all the pools met last December and decided to maintain the 1903 schedule. The iron and steel industry is now controlled by various associations, among them the billet manufacturers, steel rail manufacturers, structural manufacturers, steel plate manufacturers, tin manufacturers, and pig iron manufacturers.

In fact, when one strikes the iron and hardware world, it is difficult to find anything that is not in a pool or combination of some description, where prices are arbitrarily fixed and in some instances output prorated. I do not claim that these pools and combinations are not necessary to maintain stability in the market and, therefore, stability in employment; but I simply desire to call attention to the fact that what is accepted as an every-day matter of necessity on one side ought not to be too harshly condemned on the other. When a union man observes how readily the public acquiesces in the demand of all railroad corporations that their "fixed charges" be provided for beyond any peradventure, he wonders why the union man's "fixed charges," that is his cost of living, should not be as surely provided for by the employer. Thus the "minimum wage" demand is nothing more nor less than what the unionists claim to be their "fixed charges."

Limited space forbids reference, even by name, to the hundreds of combinations one may find upon investigation that restrict prices or limit output. In fact, it can be said that there is scarcely an industry that is entirely free from combinations of capital or combinations of labor in some form. There is an infinite variety in the methods of these different combinations, but there

is a general similarity in their efforts to regulate competition and bring pressure to bear on persistent "competitors," "price cutters" and "non-unionists." It may well be asked, in view of the universality of this effort, What is to be the outcome? and, What should be the policy of the general public toward combinations? We may ask, Shall all combinations be suppressed and all industries be compelled to submit to the unregulated competition of individualism? Or, shall these combinations continue to grow and competition be entirely eliminated in the "ideal state" of socialism? If neither of these extremes should be followed, what shall be the middle ground where competition may continue without being destructive and where the public shall not be exploited by monopoly of capital or monopoly of labor? Shall these combinations be left to work out their purposes, or shall the courts and Legislatures be called upon to deal with them?

Whatever the destructive forces that are finally brought to bear on this phase of the situation, there are some constructive forces whose great potentiality gives us hope that progress is being made, not the least being the "collective bargaining" idea, generally known as the joint trade agreement. While here and there these joint trade agreements between small bodies of employers and employees in a given craft have resulted in conspiracies against the public, now being dealt with by the courts, the great majority of them have proven of immense value in preserving the stability of industry. Such employers' organizations exist in over one hundred different industries like the Stove Manufacturers' Association, the National Founders' Association, the American Publishers' Association and the Bituminous Coal Operators' Association, which meet annually in joint conference with the Iron Molders' Union of North America, International Typographical Union, and the United Mine Workers, respectively, and consider in a businesslike way the conditions of the trade, conditions of labor, and all matters pertaining to the special industry as well as the position of the general public.

The elevating effect of the joint trade agreement system upon the intelligence and character of the union leaders is clearly shown in a statement by Mr. Francis L. Robbins, President of the Pittsburg Coal Company, referring to the sixth annual joint convention of the operators and mine workers of the inter-State bituminous field, held at Indianapolis, in February, 1903. He says:

> "Looking back over the recent convention, and comparing it with the conventions held at the inception of the movement, one is struck by the change in the *personnel* of the miners' delegates. Instead of seeing flannel shirts, hob-nail shoes, no vests and often no coats, you meet a body of men as well dressed as any body of men gathered from the middle class in any Eastern city. There has been a corresponding change in the intelligence, as shown in the faces of the delegates, and particularly perceptible to those who have argued scale questions before these meetings for the past fifteen years. It is a critical audience of practical workmen, who are quick to detect sophistry or misleading statements."

Mr. Robbins did not so state, but it is equally true that the tone and breadth of view of the operators who met these men correspondingly improved. Page after page of testimony could be recited showing that the educational side of these joint conferences is important. It was only two months ago that the Amalgamated Association of Iron, Steel and Tin Workers, the organization which deals with all the large iron and steel companies, met in special conference with the employers to consider abandoning certain artificial restrictions which had grown up in the trade and had become

"vested rights." After a week's discussion the union leaders recommended that the restrictions be abolished; a referendum vote was taken by the organization, and the recommendation was accepted. At the same time, the organization of its own volition, in consideration of the trade conditions, offered a cut of ten per cent. in the wages of its men notwithstanding the fact that the organization had a contract which does not expire until May.

Employers Who Desire to Destroy the Unions.

But there is another class of employers, which, under the banner of "law and order," "free labor," "individual liberty," etc., is organized primarily to "smash the unions." These employers refuse to consider the history, purpose and benefits of trades unions and see only the coercive, brutal and lawless methods which have too frequently been indulged in by the newer and cruder unions. Some of these same employers' associations had no sooner become organized than they adopted identical methods of warfare. It is openly boasted by one organization of employers in a city of something over one hundred thousand inhabitants that they compelled every employer to become a member; and that where they found any employer reluctant, they got the banks to shut off his credit and the wholesale houses to refuse supplies.

The attitude of this extreme class of employers and employers' associations is quite similar to that of the extreme wing of the labor movement—the socialists. Socialists denounce the unions and the leaders of the unions for entering into agreements with employers, just as extremists among employers denounce all movements looking toward dealing with unions. The socialists affirm that the class struggle is irrepressible, and that the working-men must fight their employers to the bitter end and make no compromise. There are also a few labor organizations controlled by the socialists which take similar ground respecting employers. The community of sentiment between the socialists and this class of employers' associations appears plainly in an editorial in the socialists' "Daily People" (New York, April 7, 1903), commenting upon the annual address of the president of the National Manufacturers' Association. The socialist editor says that the president is correct in holding that an "equitable arrangement" cannot be effected by the "artificial" method of conciliation or arbitration. An "equitable arrangement," he says, "can only be effected by allowing the class struggle full scope; and as a means to this end nothing is so much to be welcomed as the straight-out tactics" of that association. "Socialism," the editor concludes, "will triumph as a result."

If these two extreme wings of irreconcilables had their way, the outcome would be either arbitrary control by labor or arbitrary control by capital. If all employers stood for intolerance and bigotry, or if all unions stood for tyrannical and unreasonable methods, the end would necessarily be a revolution. But the American people, as a whole, are not willing to enter upon such a permanent warfare of "capital" and "labor." They have enough practical sense to recognize conditions as they exist, and they have the courage and patience to deal with them.

I believe that rightful relations between employers and employees will eventually be worked out in this country in spite of the socialists in the wage-earners' camp and the anarchists in the employers' camp.

CROP ESTIMATES.

The staple crops of this and other countries are, as is well known, under constant inspection from the time of the preparation of the land for seeding until they are received in the market. This inspection is conducted not only by the Government, but by private estimators, who seek this information for the benefit of all who deal in the staples concerned, whether as speculators or as transporters or as dealers or consumers.

The problem attacked seems to be simple enough in theory, but the almost infinite practical detail which it is necessary to watch in order to reach results even approximating accuracy, renders it in fact almost impossible of satisfactory solution. Any one who has watched the course of the estimation of the wheat crop, for instance, is much oftener surprised when such estimates prove to be accurate than otherwise. The Government as well as private estimators seek to have agents in all the places where wheat is grown, who send in continuing reports. But these localities are so numerous, and some of them of so little importance taken singly, that it is almost impossible to secure reliable agents who really observe comprehensively. Even an agent in every township does not necessarily secure a report from the whole country that can be relied upon. The Government, which is more able to afford the expense of a sufficiently distributed corps of crop reporters, does not secure the best service. Blanks are sent out to the agents, and are often filled up and returned in a perfunctory manner, more or less by guess than on a basis of accurate and careful observation. Even when the agent really examines as carefully as he can, spending time and energy, there is great room for error in judgment.

A conscientious man, seeking to report accurately at any given time on the crops in a township, would find it an extremely difficult task to visit every field in which the crop is growing, or even to learn of the existence of many acres under cultivation. Many crops are grown far from the roads, and to visit them would imply a constant round of investigation on foot that might consume weeks of time. Information obtained from the farmers is very unsatisfactory. They often do not know the condition of their crops at a given time. One crop is sown or planted and left very much to itself until harvested and threshed or obtained in a salable condition. In the meantime the farmer turns to other things. He may know generally, or thinks he knows, that things are progressing or perhaps retrograding, and when he comes to harvest be as surprised as any one, at the result, favorable or unfavorable.

But most agents do not take the necessary pains. For instance, the township assessors are required to report on the crops of the previous year. This, one would think, would be easy. There is no motive on the part of the agriculturist to give inaccurate reports, but when he fills in the blanks in answer to the assessor's questions, his recollection on many points is very poor and the returns made of these past matters, which ought to be fixed, are little better than guesswork.

The difficulty being so great with past events, how much greater the difficulty with matters yet in an inchoate condition, as are those connected with the growing crops. The private collectors of crop information cannot go to the expense that the Government can in obtaining reports from local agents, and although they may be better served than the Government by the agents they do employ, yet they must find it impossible to cover the entire field with any great accuracy. All of these things must be well understood by any one who takes the pains to observe what is going on around him in the agricultural districts. But, as Napoleon remarked, a clear and definite and positive statement, even if it be far from the truth, finds acceptance with the bulk of mankind. The Government crop reports and those by other estimators are definite and positive in that they give results in figures, and speculators and traders, having nothing better to judge by, are in a sense compelled to rely on them and guide their action accordingly.

In making these reports, knowing them to be based on data that cannot be implicitly relied on, the estimator is at a loss whether it is wisest to be conservative or optimistic. Optimistic crop reports are more apt to be made than the contrary, because an element of patriotism seems to nurture a bias to make it appear as far as possible that everything is prosperous. The Government reports are more apt to be affected by this bias than those of private estimators, because the statistial department is a part of the Administration and it is better for the Administration in power to have things look well.

Thus Government crop reports are indirectly affected by politics. Private estimators, while not so much exposed to this disturbing influence as those employed by the Government, and while as competitors they correct and check to some extent the Government estimates, are apt to be influenced by motives from which the Government estimators might be supposed to be more free. The private estimator must make his business pay, and is therefore susceptible to being influenced by speculators or traders who may desire reports colored to suit them. But supposing all those, whether estimating for the Government or on their own private account, to be thoroughly conscientious, knowing the faults and shortcomings of the data on which they work, they must also be aware that, whether they overestimate optimistically or underestimate conservatively, they will do equal damage. Speculators and traders are prone to deceive themselves and accept and act upon statements which they accept as accurate because they chime with their wishes. The mistakes made in that portion of crop estimates relative to available stock are usually laid to the difficulty of knowing how much of the crop is still in the hands of farmers. But while no doubt this difficulty is one cause, yet it is believed there are also great errors made as to what is called the visible supply or in transportation. The amount of wheat, for instance, in the elevators and in the hands of millers is probably never accurately known. Even after a year has passed and all the wheat grown that year could theoretically be reckoned up and measured, such estimates as are made have often proved inconsistent with other facts. This has been shown often enough by the disastrous failure of those who have attempted to corner wheat. Grounding their operations on what were supposed to be irrefragable information, the supply has been such as to upset all their calculations.

On the other hand, some corners have succeeded because the result

showed that the estimates of stocks on hand were too large. The fact that more corners have proved disastrous to their manipulators than the contrary, goes to prove that the error in estimate of the stock of wheat in the country is more apt to be under than over the true amount which can be made available if the price rules sufficiently high. As before stated, the concealed wheat is chiefly that in the hands of the producers. The reason that this does not immediately appear, or often remains concealed after prices have been offered which it would seem ought to bring it out, is due to defect in transportation facilities—either failure of the railroads or bad conditions of other roads. The effect of this is to make such a variation of prices between the localities where the wheat may be concealed and the price at the central market, that the latter has little or no effect on the holder of the grain. The prices offered by local dealers, millers and elevator men, who deal directly with the farmers, are usually much below the central price quotation. There is often much discount on account of the quality of the grain not being up to standard. The farmer is often at the mercy of middlemen, and more particularly those farmers who hold small lots of grain, which really form a large aggregate if they could be brought together. The man who raises a small quantity is always at a disadvantage in marketing, and this disadvantage causes him to hang back more or less.

All these considerations lead to the conclusion that the apprehensions expressed as to the wheat and also as to the cotton crop of 1903 are perhaps to some extent unfounded. The same conditions that prevent accurate estimates of the wheat raised in any year apply also to cotton. It is believed that both crops, as time advances, will be found to have been somewhat underestimated rather than the contrary.

The question naturally arises, is there then no hope for any improvement in the forecasting and final estimation of the quantities of staple crops raised? There seems to be no hope in the direction of some new invention for obtaining information. Perhaps something more might be done by making the agents who collect the data exercise more care and be more accurate in their returns. No doubt this is what both the Government and private collectors of crop information are striving for. But when the matter is one of such almost infinite detail, it can hardly be expected that all the sources of error can be eradicated. Nor is it altogether desirable that perfect accuracy in this kind of knowledge should be obtained. It is conceivable that perfect and absolute knowledge of the condition of a growing crop at every stage, after every shower or storm, with the same knowledge as to the quantity on hand at any time, would give the speculator and trader inordinate advantage over the producer. It is the element of chance, not to be removed by the utmost human skill and foresight, that distributes advantages and disadvantages like rain—alike upon the just and the unjust. No one wants to be placed at the mercy of the superior calculator who, gaining enough as it is by his higher degree of faculty, would become omnipotent if aided by absolutely accurate information.

On the whole, however, the crop reports, if properly used, in spite of their necessary inaccuracies and shortcomings, are of greater benefit than otherwise. The only thing is that they be generally understood for what they really are. The shrewd ones already know how to take advantage of the faith which a large number of men place in these reports.

THE ELEMENTS OF CREDIT.

One of the most important factors in the mechanism of modern finance is the use of credit. Credit has so greatly economized the use of money that it has led in some quarters to the belief that it was capable of superseding money entirely. The use of credit in one form or another has become so nearly universal that money, if it did not retain the important function of the standard of value, would be to a great extent reduced to the subordinate role of settling retail transactions. The greater part of the commerce of the world is carried on by a refined system of barter, in which banking credits of one sort or another are the chief factors; but sound banking involves the promise to pay metallic money, and, therefore, is based upon such money.

Credit consists in placing capital at the command of another to be repaid at some future time. One of the simplest definitions of credit is that of Professor Devas, "Agreed postponement of payments in currency."* Every exchange involves the delivery of an equivalent; but where credit enters into a transaction the person who surrenders to another goods or services receives as his equivalent only a right to demand something in the future. If the equivalent is a promissory note, as is customary in commercial transactions, it becomes the property of the one who receives it to do with it as he will. He may keep it until maturity and then collect from the maker of the note the money which it promises, or he may sell it at once to a bank and thus get the immediate command of the amount for which it calls, less a charge called "discount," for the early use of the money. According to the definition of Professor Perry, therefore:†

> "A present equivalent is always rendered by both parties in every commercial transaction; but the present equivalent in the case of a credit transaction is the right to demand something of somebody some time in the future."

The equivalent rendered on one side might conceivably be a merely oral promise; but it is usually a written instrument, and it is only such instruments in proper form with which the profession of banking has to deal. Credit may consist simply of accommodation extended to producers, manufacturers and retail dealers in merchandise among themselves. It is their operations in producing goods which form the substantial basis of commercial credit. Before the division of labor had resulted in the organization of the modern machinery of exchange, credit was often of a personal character, and did not bear the same relation as at present to the mechanism of trade and industry. The older writers divided loans into loans for consumption, and loans for aiding production. The former were not only non-commercial in character, but were usually more precarious and uncertain of payment. Commercial credit is intended for productive purposes. Capital thus borrowed becomes for the time being the exclusive property of the

* "Political Economy," p. 351.
† "Principles of Political Economy," p. 273.

borrower, and, in the language of Professor Gide, "It is necessary that he take great care to employ this wealth in a productive manner."*

The basis of commercial credit, as an outgrowth of industrial relations, is well set forth by Coquelin in the following passage:†

"In all countries the greatest number of acts of credit is consummated within the circle of industrial relations—that is, from worker to worker, and from merchant to merchant. The producer of the raw material advances it to the manufacturer who is to work it up, and accepts from him an obligation payable on time. The latter, after having performed the process belonging to him, in his turn hands over this material thus advanced on the same terms to some other manufacturer who is to subject it to a new process. Credit thus extends from one to another up to the consumer. The wholesale merchant makes advances of goods to the retail merchant, after having received them from the manufacturer or the commission merchant. Each borrows with one hand and lends with the other—sometimes money, but more often products."

Consideration of this chain of credit will show, however, that the parties who have delivered goods without immediate payment in currency have in their hands only a promise of its payment in the future. They have parted with their products without receiving money or other capital in return. In doing this they would be compelled to suspend further production until the credit matured and the money was paid, unless they had a sufficient fund of capital for both purposes. It is at this point that the bank intervenes to entrust to them an amount of capital equivalent, or nearly equivalent, to the postponed payment. This is done by the purchase by the banker of the paper promise of the postponed payment. The bank is enabled to deliver capital in the form of gold in exchange for this promise. The bank derives this capital from its own resources, or those which have been entrusted to it. It is able for a compensation in the form of discount to await the maturity of the promise to pay the original obligation. The bank may deliver its own or other promises instead of delivering gold, but it usually delivers something that is exchangeable without delay for capital. The manufacturer or wholesale merchant who sells goods on credit, accepting in payment documents which he can convert into money only at a certain cost, usually takes this charge for credit into account in fixing his prices. Dr. Pierson even goes so far as to say: ‡

"A credit sale is a transaction of a composite character; it is not an ordinary sale, but a sale involving a credit operation And in this operation interest is reckoned, the interest being concealed in the price It may safely be said that the profits made by wholesale dealers consist almost entirely of interest on capital advanced, but they always have the appearance of differences in price."

A bank does not create capital by making a loan or issuing its notes. It must derive actual capital from the deposit with it of gold or titles to gold, or it must place its printed obligations to pay gold in the hands of the person from whom it takes the original obligation. These notes enable the person who receives them to obtain in exchange for them the capital of others, because others believe that the notes can in their turn be converted into gold on presentation to the bank. The process may be made even more roundabout by the willingness of the person who receives a bank note to remit to another the demand for gold from the bank, since this last party is willing to accept the note in exchange for capital.

* "*Principes d'Economie Politique*," p. 323.

† "*Crédit et les Banques*," p. 60.

‡ "Principles of Economics," p. 191.

CONFUSION OF IDEAS REGARDING CAPITAL AND CREDIT.

The many refinements which have been introduced into the use of credit and the extent to which promises to pay gold can be substituted for the actual delivery of the metal, taken with the enormous extension and power of credit in modern commerce, have led to much confusion of thought on the subject. It has been contended by more than one writer that the creation of credit is the creation of a new capital, adding greatly to the capital in land, labor, and their products which would be available for the purposes of production if credit was not employed. Professor Macleod has made this proposition the leading theme of his economic works. He has endeavored to convict earlier economists of having acknowledged that credit is purchasing power, that purchasing power is wealth, and that, therefore, credit is wealth, independently of the resources of a country in land, labor, and material things. He declares "that the only true definition of wealth is—everything whose value can be measured in money, or which can be bought and sold—*everything* which has *purchasing power.*" As "personal credit can be valued in money," and is purchasing power, it follows, in his opinion, that personal credit is wealth.

The contention that personal credit is wealth turns largely upon the use of terms. There is no doubt of the value of the personal qualities—the training, intellectual acquirements and character—which enable a man to obtain credit. They are a form of wealth to him and to the community. But the contention of Professor Macleod goes beyond this, and insists that the credit itself is wealth, independently of both material things and the personal qualities which command credit. After defining the character of abstract legal rights to money in the form of credit, he declares that "by the fundamental laws of natural philosophy these *abstract rights* are all *wealth.*" * This is true, so far as it relates to the position of the individual. The possession by him of titles to wealth gives him substantial ownership of wealth under the legal rules of civilized nations. But the question is different when this wealth is considered in its relations to the wealth of the community. The creation of a mass of abstract rights does not add to the wealth of the community, unless they are rights to property in other communities.

Looked at from the personal and the legal point of view, the possession of credit is in many cases equivalent to the possession of capital. From the economic point of view, however, the question should be regarded from the standpoint of the aggregate physical capital of the community. This capital consists of buildings, machinery and the materials of production. Credit may facilitate their use, but the granting of credits does not increase their quantity. This is the cardinal fact to be kept in view in following the tortuous course of credit through its manifold forms—that physical capital cannot be increased by issuing documents against it or by exchanging these documents one against another. If this could be done, as Professor Gide points out, it would be only necessary for the people of France to exchange with each other titles to their existing wealth to raise the total wealth of the country at a stroke from 200,000,000,000 francs to 400,000,000,000 francs.†

* "The Theory of Credit," I, p. 22.

† "*Principles d'Economie Politique*," p. 329. Mr. Macleod insists that credit claims represent at least future wealth; to which Professor Gide replies, "Precisely; but it is precisely because they are future that one should not count them now."

Credit does much to facilitate the transfer of capital, but it is not in itself capital, and the creation of credit is not the creation of capital. As Garnier correctly declares, "Instruments of credit are only representative signs, giving a right to money, but they are not capital apart from such money." *

Credit consists in the ability to command money. Commodities are more or less efficient means of credit according as they approximate the universal quality of money, that they can be readily exchanged for other things. The usual forms of banking credit are promises and orders to deliver gold. Where there is no doubt of the solvency of the parties, so that there is no doubt that the gold will be delivered for the full amount specified in the order, such instruments acquire much of the character of money. They can be transferred from one person to another without any deduction for lack of exchangeability. This is true of bank notes, certified checks, and some forms of drafts.

The articles which come next in order in degree of exchangeability among instruments of credit are those which can be sold most readily and without loss. Inevitably the articles which rank first in this class are those for which there are wide and well-known markets, like domestic and foreign bills of exchange, commercial paper of well-established houses, and negotiable securities. These articles under ordinary conditions have a high degree of acceptability as the basis of credit, because they can be turned into money without material loss. If they are accepted at a slight discount, it is because they lack a little the quality of universal and immediate exchangeability, but such a discount can be calculated with reasonable certainty in accepting them in financial operations.

Articles which are not money, but which have a wide market, are more negotiable than those which have a narrow market. This is true of cotton and wheat, which can be sold in standard grades on the produce and cotton exchanges. Of a somewhat similar character are orders for silver bullion. Silver has ceased to be standard money in most commercial countries. It has become a commodity, like wheat and cotton, whose value is measured in gold. Orders for the delivery of silver bullion therefore have ceased to have a fixed value, and have only a fluctuating value in gold, like other commodities which are sold at gold prices. Silver bullion is sold in organized markets, but they are narrow markets, and it can be used as a substitute for money only in the sense that it can be pledged for credit, like wheat and other commodities which are dealt in in organized markets.

These articles which are sold in organized markets, like wheat and cotton and silver bullion, are valuable as security for credit to the extent that they can be turned into money without loss. That is, they are available for credit up to the limit of the minimum price at which the owners of money believe that they can be sold in organized markets. Hence it comes that bankers, who deal in promises to deliver gold, will exchange such promises for other articles which can be readily turned into money at some ascertainable price. In order to guard against loss, they will deliver money and orders for money in exchange for these articles only to the minimum sum at which they believe they could be turned into money by an immediate sale. Hence come the margins between market value and the amount loaned by bankers

* "*Traité d'Economie Politique*," p. 78.

on securities, warrants for cotton and wheat, bills of exchange and silver bullion.

CONVERTIBILITY OF BANKING CREDITS INTO MONEY.

The banker's loan on a commercial bill is a title to the present use of the capital of others, in the expectation of repayment by the maker of the bill from the products of the capital acquired from the person in whose favor the bill is drawn. If the capital of the maker of the bill is convertible into money value sufficient for the bill, he is solvent and will pay the bill in capital or titles to capital when it matures. Thus in a certain sense credit rests upon commodities; but is subject always to the test of the money value of the commodities as available security. It often happens in practice that an unsuccessful operation in the production and exchange of goods fails to result in loss to the bank which has advanced money upon the documents growing out of such transactions, because the parties who are responsible for the documents have other resources, which they prefer to utilize in meeting their banking obligations rather than confess insolvency. In a broad sense, however, credit rests upon the money value of the commodities. The value of gold in exchange for goods is the test which is instinctively and automatically applied by the banker to the security offered by the borrower. He measures the value of the security by its exchangeability for money. As Bonnet correctly declares: *

"Metallic money is the basis upon which all transactions rest, the pivot around which they revolve. By skillful combinations and the methods of credit one may extend the field of such transactions, but one cannot do away with the base nor sensibly impair it without great injury to the community."

It is this close connection between banking credits and their convertibility into money which discredits such theories as those of Professor Laughlin, that to get credit "is to obtain a transfer to one's self of commodities under an obligation (variously expressed, according to different habits and circumstances) to return an equivalent amount at a fixed date in the future." † An obligation of this sort would not be attractive to the banker, because it would throw upon him the risk of the fluctuations in the prices of commodities. The intelligent banker does not deal in obligations to return equivalent amounts of commodities; he deals in obligations to pay standard money. When he departs from this rule and exchanges his own promises to pay standard money for promises to pay commodities (without the certainty that he can convert these commodities instantly without loss into money) he invites insolvency. In the opinion of most students of monetary problems, the commodity theory of credit has too often broken down in practice to be any longer considered tenable. Prof. Joseph French Johnson admirably punctures this loose reasoning by his clear-cut definition: ‡

"Credit is an executory contract to deliver money, and is accepted as a means of payment because the acceptor believes the maker will be able and willing to deliver the money if called on to do so."

While the normal and earliest form of deposit involved the surrender of money to the banker, the multiplication of credit operations has introduced

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* "*Etudes sur la Monnaie, p. 5.*" † "The Principles of Money," p. 73.

‡ "Political Science Quarterly," (September, 1903) XVIII, p. 424.

a complication into the deposit system which may be to the beginner a little puzzling. This is the fact that when a bank increases its loans to borrowers, its deposits may advance *pari passu* with the volume of its loans. This comes about in the first instance because the borrower does not take away from the bank the money loaned, but transfers it to his own deposit account, to be drawn upon from time to time. Hence the seeming paradox that without receiving any new money, but by lending what it had, the bank has increased its deposits. The solution lies in the increase which the bank has made in its assets by acquiring the written promise of the borrower to repay the loan in money at some future date. Thus the titles to money which it holds have been increased by the amount of the titles which it has issued against itself by addition to its deposit obligations. "Yet there is a difference," as Mr. Horace White declares, "between the two kinds of deposits, the one being of money and the other a bank credit." * It does not matter whether the former class of deposits as made by depositors are actually in standard money or checks upon other banks directing the payment of money. In the latter case, such checks can be collected and their proceeds in money added to the cash resources of the bank, or they can be offset against similar claims for money against the bank and its cash resources will be kept unimpaired by a corresponding amount.

Hence in times of pressure, when a bank is subjected to heavy demands for money, it protects its reserves by refusing to increase its loans. This reacts upon the deposits by preventing the increase of those of the class which grow out of lending by the bank; and as loans which mature are paid in money or in titles to money, the stock of money on hand increases. Thus the proper equilibrium is brought about between the bank's outstanding obligations and the money available for paying them. The curtailment of loans under such circumstances brings to a halt the undue extension of credit and is evidence of returning strength on the part of the banks.† The anxiety with which this relationship is constantly scrutinized by bankers and the sensitiveness shown to its changes by rates of discount and foreign exchange is another evidence of the incorrectness of the views of Professor Laughlin, and of the fundamental soundness of the view of Professor Nicholson, that the vast superstructure of banking credit "must rest on a metallic basis," and if this basis is cut away the whole structure would fall." ‡

Credit Mechanism not a Modern Invention.

The mechanism of banking credit is not a modern creation. It has obtained in recent years an extension and variety of forms hardly dreamed of in more ancient times, but in its simpler machinery of banking loans upon notes of merchants and certificates of property it is as old as authentic history. Bucher points out: §

> "Credit in its first stage is purely credit for consumption; it is obtained only by the putting in pledge of the person and all the goods of the debtor. At the second stage,

* "Money and Banking," p. 219.

† Thus the weekly statement of the New York associated banks for November 7, 1903, is thus referred to in "The New York Tribune" the following day: "The most encouraging feature of the exhibit was a decrease in loans of $11,413,000, this reduction, with the loss in cash of $9,272,900, accounting for the decline of $17,571,900 in deposits."

‡ "Money and Monetary Problems," p. 74.

§ "*Etudes d'Histoire et de l'Economie Politique*," p. 110.

credit is still personal, but servitude for debts gives way to imprisonment. By the side of credit for consumption appears a species of credit for acquiring land, which is clothed in the form of a purchase, and which may be considered pre-eminently as the standard form of credit in town economy. The special form of credit of the modern period, investment credit (*Geschaftskredit*) or productive credit, appears at first in commerce and extends thence to every branch of economic activity."

Credit bearing much of the characteristic stamp of the modern commercial type had already acquired a firm footing in those rich States of Central Asia whose history now survives chiefly in their monuments. Instruments of commercial credit were in use in Assyria, even while the precious metals passed by weight, before the employment of official coinage. Traces of credit by compensation and by transfer orders are found in Assyria, Phoenicia and Egypt before the system attained full development in Greece and Rome. The books of the old Sanskrit lawgiver, Manu, are full of regulations governing credit. He speaks of judicial proceedings, in which credit instruments were called for, of the interests on loans, of bankers, usurers, and even of the renewal of commercial paper.* In Babylonia contracts were drawn up, in the presence of some priestly or legal official, on clay tablets. The original was placed for safety in either the temple or the record chamber of the city, enclosed in a clay envelope or case, while copies went to one or both of the contracting parties. Many of these documents, preserved in the British Museum, are records of deeds and the partition of real estate, but a few involve loans of silver at interest, and these become more numerous in the reigns of Nebuchadnezzar and Nabopolassar (625–604 B. C.). Loans secured by mortgage on land and guaranty bonds are among the curious commercial documents of these early times.†

The mechanism of credit at Rome was in some respects less advanced than in the ancient civilizations of Asia.‡ Instruments of credit are recognized in the earlier imperial laws and in the Justinian Code, but the night of barbarism, which obscured letters and the arts in the western world during the Middle Ages, destroyed for a time the security of commercial transactions and the system of credit depending upon such security. It was at Lyons, the entrepot of Italy in the Middle Ages, that bills of exchange first became common in modern times, and it was there also at the fairs that the settlement of debts by compensation was accomplished while legal safeguards were too slender to justify extensive credit transactions. The operation is described by Professor Macleod as follows:§

"Merchants in France and other countries did not make their bills payable at their own houses, where they must have kept large sums in specie to meet them, but they made them payable only at these great fairs. In the meantime their bills circulated throughout the whole country, and performed all the functions of money. On a fixed day of the fair the merchants met together and exchanged their acceptances against each other. By the principle of *compensation*, which will be more fully described in a future chapter, these acceptances exchanged, reciprocally paid, discharged, and extinguished each other. Boisguillebert, the morning star of French economics, says, that at the fair at Lyons, eighty millions of bills paid and discharged each other without the use of a single coin."

At the end of the sixteenth and the beginning of the seventeenth century the Genoese attained predominance in financial matters, and the fairs of

* Cruchon, "*Les Banques dans l'Antiquité*," p. 14.

† "British Museum: Babylonian and Assyrian Antiquities, 1900," pp. 174-176.

‡ Lenormant, "*La Monnaie dans l'Antiquité*," I, p. 121, note.

§ "The Theory of Credit," I, p. 95.

Placenzia became the clearing-house of Europe. The representatives of fifty or sixty great houses assembled there every quarter, exchanged bills, and fixed rates on various places in Europe. Admission to the clearings required a guarantee of 2000 crowns, and paper to be settled there rested in a measure upon the combined credit of all the great exchange houses of Europe * Money was hardly required at all in the settlements, and it was common knowledge that the bankers who conducted these great transactions had by them barely enough for the needs of a few days.

The bill of exchange was one of the earliest forms of credit, and its use was extended beyond its present purposes in order to evade the prejudices of the Middle Ages. To the Jews were ascribed the invention and perfection of the bill of exchange, as a means of evading the confiscation of their property by its prompt and secret transfer.

Several circumstances of the time contributed in the Middle Ages to throw the trade in money into the hands of the Jews. The latter began to come to the front during the reign of Justinian at Constantinople (527–565 A.D.), and they enjoyed great privileges in the Frankish Empire. They were better able than Mohammedans to trade in Christian lands and better able than Christians to trade in Mohammedan lands. † They were, therefore, afforded opportunities by the expansion of the Arabian and Ottoman Empires to ply their trade as the neutral dispensers of the one commodity which knows no race nor creed. Another circumstance which drove the Jews into the trade in money was the fact that they were shut out from all other trades. Another was the attitude of the church towards loans and interest. The acquisition of real property was prohibited to the Jews in nearly every European State. The guilds were closed to them and they were forbidden to exercise trades and manufactures.‡ The exclusion from real property was not a hardship, if they were to be subject to constant confiscations, since money and its paper representatives were almost the only forms of property which could be readily transported and concealed. "The richest traders," says Montesquieu, "having only invisible goods, they were able to be sent everywhere and left no trace behind." §

CHARLES A. CONANT.

* Nys, "*Recherches sur l'Histoire de l'Economie Politique*," p. 163.

† Cunningham, "Western Civilization," II, p. 49.

‡ Nys, p. 136.

§ "*De l'Esprit des Lois*," Livre XXI, Ch. xx.

COLOMBIA'S MONETARY LAW.—A belated report was recently received at the State Department from United States Minister Beaupre, at Bogota, upon the mone- law of Colombia, passed by the Colombian Congress at its last session.

The bill provides that the monetary unit shall be the gold dollar of the United States of America; that future issue of paper money be prohibited; that in the Departments and Provinces, where silver has hitherto been current, coinage shall keep to the gold unit, according to the price of silver in the market; that all paper money which the council shall collect be publicly burned; that the council shall fix day by day, the rate of exchange; and that the following sources of income shall be at the disposal of the council for the amortization of the paper money: The rent from the Emerald mines; from the pearl fisheries; from the exploitations of the national forests; harbor and lighthouse dues and tonnage.

TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.

CHAPTER II.

GROWTH OF THE COMPANIES IN NUMBERS AND RESOURCES.

Returning now to the consideration of the growth of trust companies in number and resources, the task is much simplified by the availability of statistics which, while incomplete, furnish the means of forming a tolerably accurate idea of the progress of these institutions.

From the year 1875 on, the reports of the Comptroller of the Currency give statistics of the trust companies reporting to that official. These reports do not include all of the trust companies in existence at their several dates, as the Comptroller had no authority to compel the sending of returns from State institutions. The number of companies reported for the year ended June 30, 1875, was thirty-five. This number is, of course, somewhat less than the number actually doing business, and it is impossible to learn the exact number. The United States Mortgage and Trust Company, of New York, has published a book entitled "Trust Companies of the United States, 1903," which gives complete returns from practically all of the trust companies in existence at that date, with the dates of their organizations. An examination of this work shows that of the companies reported, fifty had been organized during or before the year 1875. But, as the writer has ascertained by correspondence with these companies, some of them were not organized at first as trust companies. On the other hand, as already shown, a number of trust companies organized in these early years have gone into liquidation, and their names do not appear in the book above mentioned. A rough estimate, however, shows that these two considerations about offset each other, and the number of companies in existence in 1875 was probably nearer fifty than thirty-five. The former number is insignificant enough as compared with the other financial institutions at that time. As against the thirty-five trust companies, there were in 1875, according to the Report of the Comptroller of the Currency for that year, 551 State banks, 771 Savings banks and 2,087 National banks. The trust companies had deposits of $85,000,000, while the State banks had $166,000,000, the Savings banks $924,000,000 and the National banks $679,000,000.

Of the thirty-five trust companies reported, New York State had twelve, Connecticut ten, Pennsylvania seven, Massachusetts five and Rhode Island one. The incompleteness of this list is shown by the fact mentioned by the Comptroller, that while Illinois is credited with no companies in the list, the Financial Editor of the "Chicago Tribune" reported that there were in Chicago, June 30, 1875, five trust companies, with aggregate deposits of $5,688,574.*

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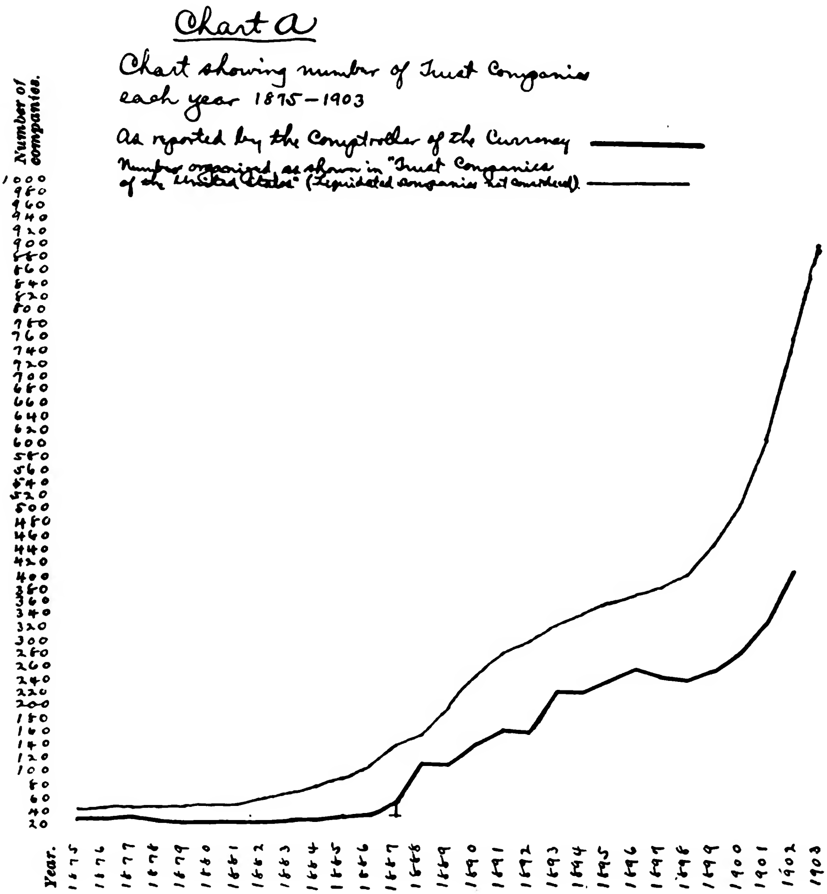
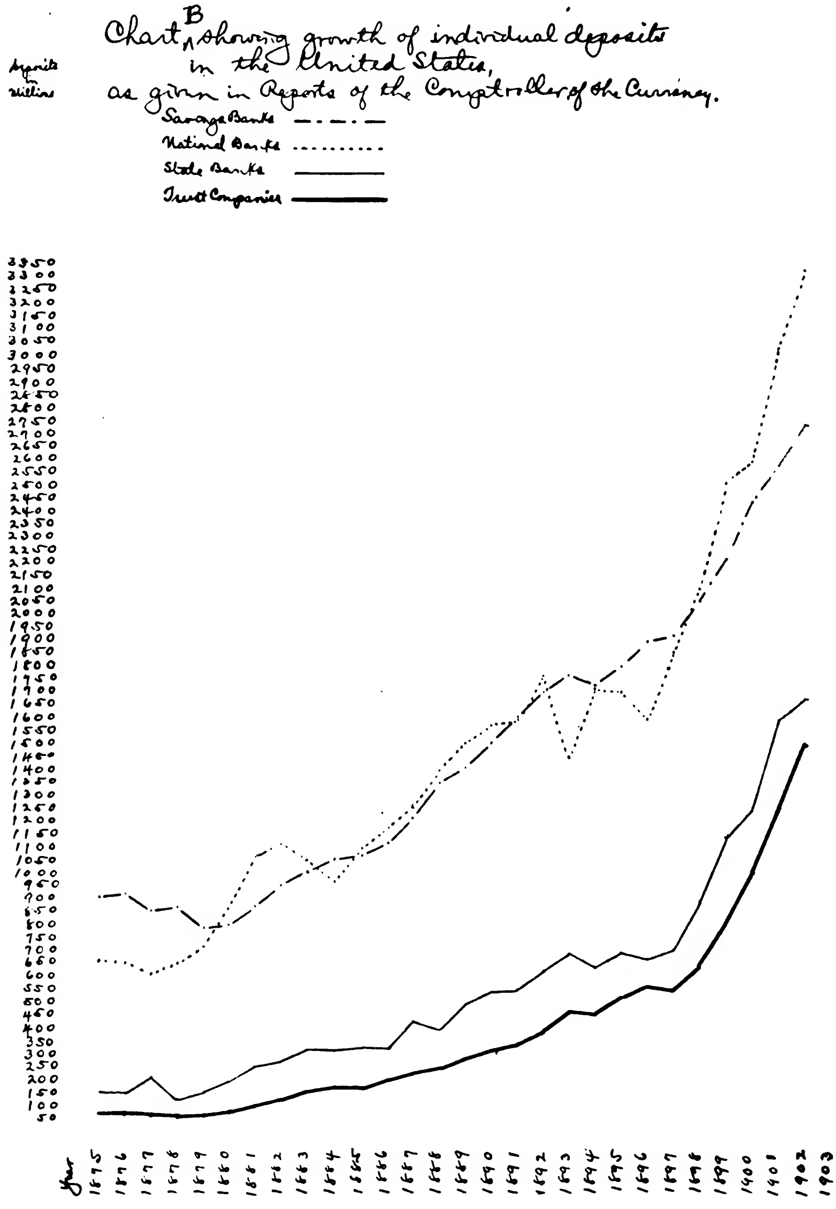
* Report of U. S. Comptroller, 1875, p. XCVII.

A general idea of the growth of trust companies from this time on will be gained most easily by reference to the charts presented herewith. Chart A is designed to show the growth in the number of trust companies year by year. The heavy line follows the number of companies in existence each year as reported by the Comptroller of the Currency. The light line follows the total number of companies organized at the close of each year, as shown by figures compiled by the writer from the work "Trust Companies of the



United States, 1903," already mentioned. The heavy line shows less than the actual number of companies in existence at any given time; because, as already stated, the reports of the Comptroller do not contain complete reports of all the trust companies in the country. It is probable, however, that this line does indicate pretty accurately the relative gain, from year to year, in the number of companies; and this is the essential thing that the chart is intended to show. It will be noticed that the general trend of the two lines is the same. The heavy line shows interruptions in the increase of the number of companies, in the years 1889, 1892, 1894, 1897 and 1898. For details of this kind, however, it is not safe to trust the chart, owing to the

incompleteness of the statistics on which it is based. The light line shows that there was no year since 1881 in which no new companies were organized. This line would show no interruptions in the increase of companies, if there



were any, because it is based on figures showing only the number of companies organized in each year, taking no account of companies which ceased to exist. Following the general trend of the lines, and averaging their courses,

it will be seen that there was no marked change in the number of companies until about 1885, when there began an increase which reached its climax about 1891. From 1891 to the beginning of 1899 the increase went on, but at a less rapid rate. From 1899 to 1902 inclusive the increase has been at a very much greater rate than in any of the preceding years. It seems probable that the considerable increases in the heavy line in 1888 and 1893 are due not to an actual increase in the number of companies existing so much as to greater success on the part of the Comptroller in getting reports from companies which had not hitherto reported.

The following table shows the number of companies at the dates given:

YEAR.	*According to Comptroller's Reports.*	*According to "Trust Companies of the United States."*
1875	35	50
1880	30	54
1885	40	99
1890	149	255
1895	242	364
1900	290	518
1902	417	764
1903	531	912

The striking thing about the table is that according to either authority the number of companies more than doubled between the years 1890 and 1900, and the increase since 1900 has been much more rapid than during the nineties. The Comptroller's figures show an increase of eighty-three per cent. in the three years ending June, 1903; while the figures compiled from "Trust Companies of the United States" indicate a gain of seventy-six per cent. in about two and three-fourths years from 1900 to the fall of 1903.

Chart B shows the growth of individual deposits of trust companies, and also of Savings banks, State banks and National banks. Following the course of the heavy line, which shows the increase of trust company deposits, we find much the same general features as in the line showing the growth in the number of companies, save that there is a considerable gain from 1880 to 1885. Especially marked is the increase from 1898 on.

Comparative Growth of Banks and Trust Companies.

An interesting thing is the coincidence in the general features of the lines showing deposits of trust companies and of State banks. It is also to be noted that from 1898 all four classes of financial institutions had increases of deposits much greater than ever before. This does not seem to corroborate the popular impression that the trust companies are making their gains by taking business from the regular banks. It rather indicates that the trust companies are sharing with the others in a general prosperity that is unprecedented.

YEAR.	*Trust companies.*	*State banks.*	*Savings banks.*	*National banks.*
1875	$85,000,000	$166,000,000	$924,000,000	$879,000,000
1880	90,000,000	209,000,000	819,000,000	888,000,000
1885	188,000,000	344,000,000	1,095,000,000	1,117,000,000
1890	336,000,000	553,000,000	1,525,000,000	1,594,000,000
1895	547,000,000	712,000,000	1,811,000,000	1,715,000,000
1900	1,028,000,000	1,267,000,000	2,450,000,000	2,602,000,000
1902	1,526,000,000	1,698,000,000	2,750,000,000	3,333,000,000
1903	1,589,000,000	1,815,000,000	2,935,000,000	3,306,000,000

The preceding table gives the individual deposits of the same four classes of institutions for the years named.*

The gain in deposits made by the trust companies during the ten years from 1890 to 1900 is still more striking than the gain in the number of companies. It amounts to nearly 206 per cent., from $336,000,000 to $1,028,-000,000! During the same period the State banks gained a little over 129 per cent., the Savings banks a little less than sixty-one per cent., and the National banks a little over sixty-three per cent. The amounts of the gains were: for trust companies, $692,000,000; for State banks, $714,000,000; for Savings banks, $925,000,000; and for National banks, $1,008,000,000. The comparative showing of the trust companies for these ten years is remarkable, but that for the two years 1900 to 1902 is much more remarkable. During these two years the increases of deposits were: for trust companies, $498,000,000, or a little over forty-eight per cent; for State banks, $431,000,000, or thirty-four per cent.; for Savings banks, $300,000,000 or a little over twelve per cent.; and for National banks, $731,000,000, or a little over twenty-eight per cent. Thus, during these two years, the actual amount of deposits gained by the trust companies exceeded that of the State banks and of the Savings banks, and was exceeded only by that of the National banks; while in percentage of increase the trust companies were far ahead of all the others. And as regards a comparison between the trust companies and National banks, it is important to bear in mind that the reports of the Comptroller give the statistics for all of the National banks, while a considerable number of trust companies are not reported.† If the reports gave returns from all the trust companies of the country, the above figures for amount of gain in deposits would of course be increased. What the effect would be upon the percentage of gain is uncertain.

The growth of deposits of trust companies, as well as of the other classes of financial institutions, shows considerable abatement for the year 1903, as compared with the preceding two years. During 1903 the deposits of trust companies reported by the Comptroller increased about $63,000,000, or a little over four per cent. The deposits of State banks increased $117,000,000, or a little less than seven per cent. The Savings banks gained in deposits $185,-000,000, or six and seven-tenths per cent. The deposits of the National banks decreased $27,000,000, or about eight-tenths of one per cent.

CLAY HERRICK.

(To be continued.)

* The figures are taken from the reports of the Comptroller of the Currency.

† As an instance of this, take the report for 1897. Two hundred and fifty-one companies are reported, with total deposits of $566,922,205. But the Comptroller calls attention to an investigation made by the New York "Financier" of returns nearest to January 1, 1897, showing 458 companies, with deposits of $675,100,000. (See Comptroller's Report, 1897, p. XXXVIII.) This incompleteness is not the fault of the Comptroller, but is due to the fact that he has no authority to compel the making of reports.

ORIGIN OF THE DECIMAL CURRENCY.—Thomas Jefferson was advocating the use of decimal currency.

"Just think," he exclaimed, "how much easier it will be to borrow ten dollars than 'two pounds, one shilling, one penny!'"

With a joyous whoop, Congress surrendered to the argument.

—*New York Sun.*

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IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

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Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

TAX UPON TRUST COMPANIES—NEW YORK STATUTE.

New York Court of Appeals, December 18, 1903.

PEOPLE, *ex rel.* THE MUTUAL TRUST COMPANY OF WESTCHESTER COUNTY vs. NATHAN I. MILLER, AS COMPTROLLER OF THE STATE OF NEW YORK.

The provisions of the Tax Law imposing an annual tax on trust companies, computed at one per centum on their capital stock, surplus and undivided profits, on the 30th day of June of each year, do not contemplate that a newly-organized trust company which, as in this case, had been doing business only a few days on the 30th day of June, 1901, should be liable for the whole tax for the fiscal year; but the tax for that year should be apportioned with respect to the time the company was doing business.

The relator, a trust company, was organized on June 6, 1901, and began to do business on the 24th of that month. Its capital was $300,000, its surplus, paid in with the capital, was $60,000, and it had no undivided profits. On August 30, 1901, the Comptroller imposed a tax of $3,600 upon its capital and surplus, amounting to $360,000, which he declared was "for tax on franchise or business based on capital stock, surplus and undivided profits, per chap. 132, Laws 1901, as amended by chap. 535, Laws 1901, for year ending June 30, 1901." The relator, after paying the tax under protest, applied to the Comptroller for a revision and readjustment, but the application was denied. A writ of certiorari, issued for a review of such determination, resulted in an order of the Appellate Division confirming it in all respects. From that order the relator appealed to the Court of Appeals.

VANN, *J.:* The statute under which the Comptroller proceeded provides that "Every trust company incorporated, organized or formed under, by or pursuant to a law of this State, * * * shall pay to the State annually for the privilege of exercising its corporate franchise or carrying on its business in such corporate or organized capacity, an annual tax which shall be equal to one per centum on the amount of its capital stock, surplus and undivided profits. * * *" (Tax Law, sec. 187a, L. 1901, chaps. 132 and 535.)

Every company liable to pay a tax under this section is required to make a written report to the Comptroller on or before August 1 in each year "of its condition at the close of business on June 30 preceding, separately stating the amount of its capital stock, the amount of its surplus and the amount of its undivided profits, and containing such other data, information or matter as the Comptroller may require." Upon the basis of this report, or if no

report is made, or the one made is unsatisfactory, upon the facts discovered by the Comptroller through an examination which the statute authorizes, it is his duty to "order and state an account for the tax due the State," and to notify the corporation interested, which is required to pay the tax thus fixed on or before the 1st of September in each year, with a penalty of 5 per cent. for non-payment within thirty days after it becomes due and 1 per cent. for each month thereafter.

At any time within one year after notice of the imposition of the tax the Comproller may revise his action, correct any error, and, if the tax has been paid, make the proper adjustment. The action of the Comptroller may be reviewed by certiorari, provided the amount of the tax is first deposited with the Treasurer of the State (Id. secs. 195–197).

The relator claims, among other things, that as it had carried on business but six days before the fiscal year expired, the tax should be apportioned according to the period during which it exercised its corporate franchise. The Comptroller claims that a fraction of the year cannot be considered in imposing the tax, and that the exercise by the relator of its corporate franchise for any part of the year subjects it to a tax the same in amount as if it had been engaged in business during the entire year.

The tax under consideration is not imposed upon property, but upon a privilege. It is not imposed upon the privilege of becoming a corporation, for that would be an organization tax, payable but once for the entire period of corporate existence. It is imposed "for the privilege of exercising" the corporate franchise, and is measured by the value of the investment made and used in carrying on the corporate business. It is an "annual" tax, imposed "annually," as the statute expressly provides, for the privilege of exercising, not of possessing, a corporate franchise. This privilege was used by the relator for only six days during the fiscal year in question. It could not exercise its franchise for the entire year, because the State did not bring it into existence until the year had nearly expired.

The consideration for the tax is the privilege of carrying on business, yet the relator, according to the requirement of the Comptroller, was compelled to pay for a privilege that it did not have and could not exercise during the greater part of the period for which the tax was laid. It used the privilege for only six days, but it is taxed for using it 365 days, during 359 of which it did no business and enjoyed no privilege. An annual tax is a tax reckoned by the year the same as an annual rent or annual interest. An "annual" tax, imposed "annually," means a tax that is imposed once a year, computed by the year. If a trust company does not commence business until six days before the fiscal year ends, or if it ceases to do business six days after the year begins, the tax for doing business by the year requires apportionment. While the Legislature did not so provide in express terms, it is a fair and reasonable implication from the words used that such was its intention. When by section 182 of the Tax Law it imposed an annual tax payable annually upon every corporation of a certain class, to be computed upon the basis of the amount of its capital stock "employed within the State" during the year, it did not say expressly that the assessment should be determined by the average amount of capital so employed, but we held that this was what was necessarily meant (People *ex rel.* Brooklyn Rapid Transit Co. vs. Morgan, 57 App. Div. 335, 168 N. Y. 672). Adopting the opinion below, we said: "This is not

a tax upon property, but a tax upon the business done. It is an annual tax to be measured by an annual business done, or, in other words, by the appraised value of capital employed during the entire year. The capital must have been employed or else there is no tax. It must have been employed within the State. All the data going to fix the amount of the tax must be past transactions. Time of employment and amount employed are essential data to fix the amount of an annual tax upon a business with any degree of fairness, * * * ."

Section 187a does not fix the data when the capital stock, surplus and undivided profits shall be taken, although they are variable quantities of which an average can be made for the year the same as an average of the capital stock employed by the year was used in the case of the Brooklyn Rapid Transit Co., and with as much reason. In pronouncing judgment in that case we relied in part upon People *ex rel.* Tiffany & Co. vs. Campbell (144 N. Y. 166) and People *ex rel.* New England Loan and Trust Co. vs. Roberts (25 App. Div. 16, 156 N. Y. 688), and we distinguished People, &c. vs. Spring Valley Hydraulic Gold Co. (92 N. Y. 383), the main reliance of the learned Attorney-General in the case in hand. In the latter case, as an examination of the record shows, the question of apportionment was raised neither by the pleadings nor at the trial, but was suggested for the first time in this court, which did not consider it and could not consider it, because it was raised by no exception. That appeal was heard upon the judgment roll only, none of the evidence having been returned. The only exceptions were to the conclusions of law as found by the trial judge, and they did not suggest the question. Moreover the statute in that case differed in many important particulars from the one now before us, although the words "annual" and "annually" appeared therein. The question there was not as to the amount of the tax, but as to the constitutionality of the act, and whether the company was liable for any tax whatever. Here the question of apportionment was distinctly raised in the petition for the writ as well as, but less distinctly, before the Comptroller. It is the only debatable question in the case and the only one considered by the Appellate Division. The meaning of a statute imposing a new kind of tax is seldom settled by one adjudication, but there is a gradual growth as new questions occur to counsel in its progress through the courts, and authorities under one statute frequently fail in analogy to cases under another statute relating to a similar subject, but differing in many essential respects. We do not consider the decision in the case relied upon by the respondent as controlling in this.

Statutes should receive a reasonable construction unless the language used prevents it. Here we have an act which does not expressly provide for the case before us. It imposes annually an annual tax for doing business, but does not say whether, if business is done for only part of a year, the tax shall be fixed in accordance with the time business is done, or for the entire year, including that part when not only no business was done, but there was no right to do any. It would be unreasonable to hold that a tax on doing business covers the whole year, when business was done for only six days. A tax is presumed to be laid by the State in return for some proportionate value received by the taxpayer, and the Legislature, in imposing an annual tax for the privilege of doing business, intended, as we think, that it should be based upon the period that the privilege was extended and enjoyed.

We may assume that the question is not free from doubt, for we cannot unite in judgment upon it, but serious doubt in a case of taxation should be resolved in favor of the taxpayer. (Matter of Harbeck, 161 N. Y. 211, 217; Matter of Fayerweather, 143 N. Y. 114, 119; Powell vs. Tuttle, 3 N. Y. 396, 401.) A statute which levies a tax is to be construed most strongly against the government and in favor of the citizen. The government takes nothing except what is given by the clear import of the words used, and a well founded doubt as to the meaning of the act defeats the tax. (Sutherland on Statutory Construction, 458; Black's Interpretation of Laws, 326; Cooley on Taxation, 200.)

We think the construction adopted is fair to the government and just to the citizen, for it gives the former full payment for the the time the franchise was exercised and takes from the latter nothing but what it impliedly agreed to pay when it accepted the franchise. We, therefore, reverse the order of the Appellate Division and the determination of the Comptroller, with costs, and remit the matter to the Comptroller for adjustment in accordance with the rule laid down.

NATIONAL BANK AS PARTNER—WANT OF POWER TO BECOME SUCH.

Supreme Court of Ohio, October 27, 1903.

MERCHANTS' NATIONAL BANK vs. WEHRMANN, *et al.*

A National bank has no power to become a member of a partnership, and cannot be held liable as a partner.

This action was brought to enforce the liability of the different members of a partnership called the Elsmere Syndicate, which was formed for taking the title by lease, with privilege of purchase, of certain lands in Hamilton county, Ohio. The interests of the parties in such partnership were represented by certificates of equal shares, being forty in all, nine of which were held by the Merchants' National Bank, of Cincinnati.

The court found the indebtedness to different persons, in detail, and then found that there were only twenty-three solvent shareholders, and charged them, including the bank, with the payment of the whole indebtedness, and adjudged that, in case of the subsequent insolvency of any of such shareholders before payment, the deficiency thus caused should be made up by the remaining solvent shareholders. The decree against the bank was for over $17,000.

BURKET, *C.J.:* The Merchants' National Bank, of Cincinnati, is a corporation organized under the National banking laws of the United States, and the Elsmere Syndicate was a partnership consisting of forty shares, each partner holding one or more shares, and each share evidenced by a certificate, as shown in the foregoing statement of facts, and which certificates were transferable on the books of the syndicate; and such transfers were intended to make the transferee a partner in the syndicate, instead of the transferrer, without a dissolution of the partnership.

The circuit court finds that the bank became owner by transfer of nine shares of this syndicate or partnership, which shares were taken by the bank to secure the payment of a large indebtedness owing to said bank for loans by it made to one of its customers in the usual course of business. The bank, in accepting said transfer, evidently regarded it as a collateral; but it so

treated the shares, and so transacted the business as to said shares, that the circuit court found that the bank became the owner of the shares, and there was evidence warranting such finding.

The case must therefore be determined upon the theory that the bank held the shares as owner, and not merely as collateral—the purpose of such ownership, however, being to secure the ultimate payment of said indebtedness out of the proceeds of said shares; and, to that end, it was necessary that the property of said syndicate should be put into such condition as to yield the most money, and this is what the trustees of the syndicate attempted to do; and, in so doing, debts were incurred, which the syndicate was unable to pay, and, after all its property had been consumed in paying said debts, a large debt still remained.

The restrictions contained in our banking laws are for the purpose of securing the solvency and stability of the banks, and the statutes should be so construed and the law administered as to reasonably bring about that end. The wealth and prosperity of the people depend to a large extent upon the soundness of the banks and the safety of the currency. The purpose of the Government is to foster and encourage sound banking and preserve a safe currency; and it therefore allows National banks to collect claims due them, even though a statute or a rule of law or equity may have been infringed in the incurring of the debt. The punishment for such infringement must come from the Federal authorities, in a proceeding instituted for that purpose, and not by a denial by the courts of the right of collection, as a punishment.

It is largely for the purpose of maintaining the solvency of banks that a National bank is allowed to collect loans secured by mortgage in violation of section 5137, Rev. St. U. S. [page 3460, U. S. Comp. St. 1901]. (National Bank vs. Matthews, 98 U. S. 621; National Bank vs. Whitney, 103 U. S. 99.)

It is to the same end that the solvent shareholders in a National bank cannot be compelled to stand good for the individual liability of the insolvent ones, and that the loss caused by such insolvency must be borne by the creditors of the bank. (United States vs. Knox, 102 U. S. 422; section 5151, Rev. St. U. S. [page 3465, U. S. Comp. St. 1901].)

Hence it is that while banks are hedged about with restrictive laws as to making loans and discounts, so as to incur no bad debts, the most liberal pro. visions are made for securing debts already incurred, by the taking of such collateral as may seem best in the judgment of the officers of the bank, such collateral may become the property of the bank in course of enforcing the security. And while a National bank cannot lawfully purchase and hold shares in a corporation as an investment (California Bank vs. Kennedy, 167 U. S. 362), it may accept the stock of a corporation as collateral security for a loan and may thereafter realizing upon the collateral, become the owner thereof, and liable for individual liability, the same as any other stockholder. (National Bank vs. Case, 99 U. S. 628.) This case seems to have been overruled in Scott vs. Deweese, 81 U. S. 218, where the court say at the close of the opinion: "Whether a National bank may not be deemed a shareholder, within the meaning of section 5151, if it holds shares of another bank as security for previous indebtedness, is a question suggested in former cases, but not decided, and upon which in this case no opinion need be expressed."

But conceding that a National bank may take shares in another bank as

collateral security for a new loan, or to secure the payment of an old one, and that it may become the owner of such shares in attempting to realize on such collateral, and that it may thereafter be liable to creditors on its individual liability as such shareholder, yet that falls far short of holding a National bank liable as a partner in a partnership, and liable as such partner for not only its own share of the debts of the firm, but also the debts of its copartners.

The individual liability of a holder of shares in a National bank is in its nature several and not joint (United States vs. Knox, 102 U. S. 422), while the liability of a partner for partnership debts is, as to creditors, usually held to be joint; but some cases hold it to be joint and several.

The individual liability is an inseparable incident to National bank shares, for which the lawful holder is liable; but this liability is his own debt, and attaches to a specific several article of his property—the share of stock—and is therefore limited, and cannot exceed the face value of the stock. But in the case of shares in a partnership, the liability of a partner is not for a specific amount adhering to his share as an incident, and limited to a certain amount; but the only limitation is the whole indebtedness of the firm, and which in many cases would far exceed the entire resources of the bank, and drive it into insolvency.

The purpose of allowing a National bank to take collateral security is to enhance its solvency, and not to permit it to enter into wild speculations as a partner under the pretext of enforcing its rights as a pledgee or owner. "It is settled that the United States statutes relative to National banks constitute the measure of the authority of such corporations, and that they cannot rightfully exercise any powers except those expressly granted, or which are incidental to carrying on the business for which they are established. (Logan County Bank vs. Townsend, 139 U. S. 67, 73; California Bank vs. Kennedy, 167 U. S. 362, 366.)

To become a member of a partnership in any manner or for any purpose is not incidental to carrying on the business for which National banks are established, and is certainly not expressly granted. The power, therefore, does not exist. The liabilities for which a National bank must respond are such only as are created or incurred by its officers, acting in the capacity of officers of the bank alone, and not in connection with other trustees or officers of other companies. Were it otherwise, the other trustees or officers might outnumber the officers of the bank, and impose a burden on the bank which would ruin it; and thus the bank would be controlled, not by its officers, but by outsiders. The officers of a bank cannot delegate their powers to others.

It is therefore clear that a National bank cannot be a partner in a copartnership, and cannot incur a partnership liability. The same has been held as to corporations in this State (Geurinck vs. Alcott, 66 Ohio St. 94). The first subdivision of the syllabus was omitted by mistake of printer, but is found in the headnote, and also in the index, and is as follows: "A corporation cannot be a member of a partnership."

But it is contended that, while a National bank cannot become a partner generally, where it becomes the owner of a share in an existing partnership, like this Elsmere Syndicate, in effect it becomes a partner, and liable as such. That begs the question. If it had the power to become a partner, such might be the case; but, not having the power, it cannot go beyond its powers, and can-

not by any act make itself a partner, and cannot incur a partnership liability. Cases are cited in which a bank has taken some specific piece of property —as a ship, for instance—to secure a debt, and has been held liable for the expenses of managing or converting such property; but such expenses were incurred by the bank, and were its individual debt, and not the debt of a partnership. With such cases we fully agree, but in those cases it does not appear that the bank was hampered by a lack of power, as is the case under our National Banking Act. (Royal Bank of India's Case, L. R. 4 Ch. App. Cas. 252.) Not having the power to enter into such partnership, it is well settled that the bank may plead such want of power to defeat an attempt to hold it as such partner. (California Bank vs. Kennedy, 167 U. S. 362.)

It is further urged that the bank partly realized on some of these shares, and held itself out as a partner, and that it is, therefore, estopped from now claiming that it was not such partner. That the realizing on stocks by receiving dividends does not create an estoppel was held in the above-cited case of Bank vs. Kennedy, 167 U. S. 371. In the case of Scott vs. Deweese, 181 U. S. 217, the court, near the close of the opinion, hold: "Of the powers of a National bank under the statutes providing for their creation, every one must take notice." Every one is therefore chargeable with knowledge that a National bank cannot be a partner, and therefore this bank could not hold itself out as being that which in law it could not be, and its acts in that behalf could deceive no one, as no one could, in law, rely upon such acts. One cannot rely upon a representation which he knows to be false or impossible. The bank having become the owner of these nine shares, and not having the power to become a partner, it became, in legal effect, a part owner of the property of the syndicate, which ownership was in its nature several; and the bank, through its trustee, having managed this several interest in connection with the trustees of the other shares as to their interests, the bank became and is liable for its said share of the expenses of purchasing, managing, handling, holding, improving, and disposing of the property. The bank is thus liable for nine fortieth parts of the debts and expenses remaining after applying the proceeds of the property upon the indebtedness. The record does not clearly furnish the data from which this amount can be ascertained by this court, and therefore the judgment against the plaintiff in error will be reversed, and the cause remanded to the circuit court, with instructions to ascertain what nine-fortieth parts of said debts and expenses amount to, and render judgment against said bank for that sum, and also for nine-fortieth parts of the costs.

POWER TO LEASE—NATIONAL BANK—STOCKHOLDER'S AGENT—JURISDICTION OF FEDERAL COURT.

United States Circuit Court of Appeals, First Circuit, October 6, 1903.

WEEKS vs. INTERNATIONAL TRUST COMPANY.

The agent of the stockholders of a National bank may be sued in a Federal court.

A National bank may take a lease of banking rooms for its accommodation for a term extending beyond the period of its existing charter, even though the lease be assignable only with the consent of the lessor.

This was an action to recover rent under a lease by which the first floor and basement of a building in Milk street, Boston, were let to the Broadway

National Bank. The lease ran for ten years from April 1, 1899, and the bank's charter, which was issued September 29, 1884, was limited to expire October 3, 1904. On December 16, 1899, the bank became insolvent, and the Comptroller of the Currency appointed a Receiver for it; but on February 15, 1900, the Comptroller released the estate of the bank to Weeks as the stockholder's agent.

Before Colt, Circuit Judge, and Brown and Lowell, District Judges.

LOWELL, *District Judge* (omitting part of the opinion): The defendant excepted to the jurisdiction of the circuit court. The jurisdiction is based upon act August 13, 1888, c. 866, Sec. 4, 25 Stat. 436 [U. S. Comp. St. 1901, p. 514]:

"That all National banking associations established under the laws of the United States shall, for the purposes of all actions, by or against them, real, personal, or mixed, and all suits in equity, be deemed citizens of the States in which they are respectively located; and in such cases the circuit and district courts shall not have jurisdiction other than such as they would have in cases between individual citizens of the same State. The provisions of this section shall not be held to affect the jurisdiction of the courts of the United States in cases commenced by the United States or by direction of any officer thereof, or cases for winding up the affairs of any such bank."

That the Receiver of a National Bank may be sued in the circuit court, irrespective of citizenship, was decided in Auten vs. U. S. Bank, 174 U. S. 125. That a stockholder's agent in this respect stands like a Receiver was decided by the Circuit Court of Appeals for the Ninth Circuit in Guarantee Co. vs. Hanway, 104 Fed. 369, 44 C. C. A. 312. With that decision we find no reason to disagree. (See, also, In re Chetwood, 165 U. S. 443, 459.)

The exception is overruled.

The defendant contended that the lease in question, whose term extended beyond the expiration of the bank's charter, was *ultra vires* and void, and he excepted to the ruling that the bank could take such a lease.

In Brown vs. Schleier, 118 Fed. 981, 55 C. C. A. 475, the Circuit Court of Appeals for the Eighth Circuit held that a National bank can take a lease for ninety-nine years. That court said that the lease there in question "was an interest which was salable during the life of the corporation or on its dissolution." (118 Fed. 984, 55 C. C. A. 478.)

In the case at bar the bank's interest could be alienated only with the consent of the lessor. But we are not prepared to hold that the difference (if there be one) between the lease in Brown vs. Schleier and the lease in this case is material to the validity of the latter. Strictly speaking, the lease here in question is alienable, though alienable only upon a condition. The condition is usual, at any rate in Massachusetts. And the assignment of a lease, even where permitted unconditionally, does not free the lessee from his obligations thereunder; he remains liable on his covenants, unless the lessor expressly or by implication releases the liability. To require unrestricted assignability in those leases taken by a National bank which extend beyond its charter would hamper the bank in obtaining a lease, without relieving the bank from embarrassment at the charter's expiration. Considering that the charter of a National bank may be extended as a matter of course (Act July 12, 1882, c. 290, Sec. 1, 22 Stat. 162 [U. S. Comp. St. 1901, p. 3457]), we hold that Congress did not intend to forbid such a corporation from hiring bank-

ing rooms for a term extending beyond the period of its existing charter. When, for example, but three years of its chartered existence are left, it will be unduly hampered if it is not permitted to take a lease for more than three years.

In McCormick vs. Market Bank, 165 U. S. 538, at the time the lease was executed the bank had no authority to execute a lease of any sort, and the case does not assist us in determining what sorts of leases a National bank may validly enter into. What would be the effect of a lease which, in respect of length of term, or otherwise, was entered into for some purpose other than that of meeting the reasonable needs of the bank, we need not discuss at this time. This exception of the defendant is therefore overruled.

MATERIAL ALTERATION—WHAT CONSTITUTES.

Supreme Court of Nebraska, November 18, 1903.

HARNETT vs. HOLDREDGE, *et al.*

Writing the words, "For value received we hereby guarantee the payment of the within note, and waive presentment for payment, demand and notice of protest," over an indorsement in blank on the back of a promissory note, is a material alteration of the liability of the indorser, and, if done without his knowledge or consent, releases him from his obligation as such.

Writing the words, "This note to be exchanged for consolidated mortgage bonds of Nebraska and Northwestern Irrigation Company when issued at 90," across the face of a promissory note after it has been indorsed in blank, without the knowledge or consent of the indorsers, is a material change of the note, and releases such indorsers from any liability thereon.

A blank indorser of a promissory note payable to the order of the maker thereof, which is indorsed by such maker, and afterwards delivered to a third person as payee, in absence of any special agreement to the contrary, becomes liable thereon as second indorser, and will not be held to be a joint maker of the note.

This action was brought upon two promissory notes made by the South Fork Irrigation and Improvement Company, and indorsed by the defendants. The defendants, among other defenses, pleaded that without their consent the notes had been materially altered after they had placed their signatures on the same.

Barnes, *C.* (omitting part of the opinion): It appears that the following words were written upon the face of the notes after they were indorsed by the defendants, and without their knowledge or consent: "This note to be exchanged for consolidated mortgage bonds of Nebraska and Northwestern Irrigation Company when issued at 90." If these changes and alterations were material, then the defendants are, each and all of them, discharged from their liability as indorsers.

In the case of Polo Mfg. Co. vs. Parr, 8 Neb. 379, a note was sued on which had upon the back of it the following memorandum: "This note to be paid in wheat at ninety-five cents per bushel." It was urged that this memorandum was no part of the note or contract, and should be disregarded. After a careful consideration of the subject, this court held it was a part of the contract, and in so holding made use of the following language: "The rule results from the principle that the construction of the note is to be gathered from the whole of it, as well from the words on the back as those on the face. Therefore a memorandum on the back of the note, made by an agreement of

the parties before signing it, will bind all parties." The memorandum in that case was very similar to the one in the case at bar. While that was upon the back of the note, the one in question herein is written on the face of the instruments, and would, without explanation, be construed to be a part of the contract. It amounted to an alteration of the medium of payment. Such an alteration is material.

In Randolph on Commercial Paper (2d Ed.) vol. 3, sec. 1755, we find the following: "It is a material alteration of a note to add words making it payable in gold, or to erase such words even after the maturity of the note, or add any word qualifying the goods or property in which the note is made payable, or to change the fund mentioned or referred to for payment.

The same rule is announced in Daniel on Negotiable Instruments (4th Ed. Sec. 1386).

The words added to the notes in this case made them payable not only in money, current funds, but also made them payable in consolidated mortgage bonds of the Nebraska Northwestern Irrigation Company at the rate of one dollar of the note for ninety cents of the bonds.

Therefore it cannot be successfully claimed that this was not a material alteration. Again, there was placed over the names of the defendants on these notes, the words, "For value received we hereby guarantee the payment of the within note and waive presentment for payment, demand and notice of protest." This changed the liability assumed by them as indorsers without their knowledge or consent, and discharged them from any liability whatever. (Belden vs. Hann, 61 Iowa, 42.)

The writing over a blank indorsement, waiver, or protest, demand or notice, or a guaranty or an agreement to stand security until paid, discharges the indorser. (Randolph on Commercial Paper [2d Ed.] vol. 3, sec. 1753.)

Where a note is endorsed in blank, the insertion of the words, "Demand and notice waived," constitutes a material alteration.

In Davis vs. Eppler, 38 Kan. 629, the court said: "The most serious question in this case is whether the writing of the words, 'Waive notice and protest,' on the back of the note, before maturity, over the names of Farrell and Eppler, was such an alteration as to relieve the defendant Eppler of his liability as indorser. It is proven that Eppler never consented to such addition. On the other hand, it is well established by the evidence that such writing was not made with the intention of creating any greater liability on the part of Eppler. It is beyond question that the indorsement was a substantial change in the contract between Eppler and the plaintiffs. It changed his contingent liability to an absolute one." Without the words placed over the indorsement of defendants on the back of the notes in suit, they would be liable as blank indorsers only, and would be entitled to have the note protested, and receive a notice of such protest, in order to charge them with any liability; while in its present condition it would not be necessary to protest the note, or give the defendants any notice of its nonpayment.

It follows that this alteration was a material one (Andrews vs. Simms, 33 Ark. 771; Farmer vs. Rand, 16 Me. 453), and the defendants were thereby discharged from any liability as indorsers.

It is contended, however, by the plaintiff, that the defendants were all liable as joint makers of the note. Counsel argues this question at great length, and cites many authorities in support of this contention, and it must

be conceded that, where a party writes his name across the back of a note before its delivery, he is ordinarily liable thereon as a joint maker. This rule obtains where the note is made payable to some one other than the maker thereof, but does not apply, however, where a note is made payable to the maker himself. In such a case before the note creates any liability, or becomes a binding contract, it must be indorsed by the maker and delivered to the payee.

The case of the First Nat. Bank of St. Charles vs. Payne, 111 Mo. 291, was one where an attempt was made to hold the defendants, who had indorsed the note, to the liability of joint makers, as in the case at bar. The maker of the note had made himself payee, and had indorsed it. He then procured the two defendants to indorse below his indorsement. When the note was sued upon, just above the indorsement was a written "waiver of protest," which was shown to have been put there subsequent to the indorsements of the defendants, and without their knowledge and consent. It will be thus observed that the case is one directly in point. Brace, J., in delivering the opinion of the court, said: "Upon the face of the indorsements upon this note defendants were indorsers, and chargeable only as such. As we have seen, the plaintiff failed to make out a case against them as indorsers. It then sought to charge them as makers. He was both the drawer and payee of the note. Now, while in a long line of decisions in this State following Powell vs. Thomas, 7 Mo. 440, it has been consistently and persistently held that where a person indorses a negotiable note in blank, not being a payee or indorsee thereof, he is to be treated *prima facie* as the maker of the note, yet it will be found on examination that in every one of these cases the payee of the note indorsed was a third person. We have not found a case in our Reports where it has ever been applied to an indorsement of a note made payable to the order of the drawer. Such a note was an incomplete and void contract at common law, but by the custom of merchants, after it had been negotiated—that is, after the drawer, as payee, had indorsed his name upon the note, and delivered it to a third person—it was treated as a valid negotiable promissory note, payable to the bearer, and has been so held in England since the statute of 3 and 4 Anne, c. 19 (temp. 1704)."

The court also held that it would make no difference as to the indorser's liability whether he indorsed the note after or before the payee, who is also the maker, had indorsed it. His liability would still be that of an indorser only. The reasoning of the court was as follows: "When one indorses such an incomplete instrument before it is made perfect by the indorsement of the maker as payee, and delivers it to such maker, what is his contract? What can his contract be other than to authorize the maker to make it a complete and binding contract on him as an indorser by writing over his name the maker's and payee's name on the back of the note as first indorser. By indorsing a note which in itself is not complete he must be presumed to have intended to charge himself only in the manner in which his name will appear on the note when the contract is perfected by indorsement of the maker's name as payee when he will appear on the paper as indorsee, and his contract with a subsequent holder is that of an indorser, for as such only he appears on the note after it has acquired validity as a contract."

This line of reasoning is supported not alone by the Missouri cases, but by the Illinois cases. In Blatchford vs. Milliken, 35 Ill. 434—a case similar to

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the one at bar—the court said: "It is the settled law of this State that a person who is not a party to a promissory note which is to become a valid obligation against the maker upon its delivery to the payee, by writing his name in blank on the back of the note is presumed to assent to the obligation of a guarantor. But where the note creates no valid obligation against the maker, and can create none until it is indorsed and transferred by the payee, the presumption is that a person writing his name in blank upon the back of the note assumes the obligation of an indorser. Inasmuch as the note can never have any validity until the name of the payee appears upon it as an indorser, the person writing his name in blank upon the note understands that when the note takes effect his name will appear upon it as a second indorser; and it is reasonable to conclude that such was the position which he intended to occupy." This case was followed and approved in (Kayser vs. Hall, 85 Ill. 511.) Many of the cases cited by plaintiff's counsel are from the Supreme Court of Massachusetts, yet that court refuses to hold an indorser liable as maker under circumstances similar to those in the case at bar. In the case of Dubois vs. Mason, 127 Mass. 37, the facts were the same, except that the defendants signed before the maker and payee, but below where the payee finally signed, before the note was delivered to the third person.

NOTES GIVEN FOR PATENT RIGHTS—PENNSYLVANIA STATUTE—BONA-FIDE HOLDER.

United States Circuit Court of Appeals, Third Circuit, October 30, 1903.

BROWN, *et al.* vs. PEGRAM.

The Pennsylvania statute which provides that when the consideration for a promissory note or other negotiable instrument shall consist in whole or in part of the right to make use or vend any patented inventions, the words "Given for a patent right" shall be printed or written on the face thereof, does not invalidate a note given for such purpose and on which these words do not appear, nor affect the rights of a *bona-fide* purchaser without notice.*

In error to the Circuit Court of the United States for the Eastern District of Pennsylvania.

This action was brought upon two promissory notes, one for $20,000 and the other for $30,000, signed "American Alkali Company, A. K. Brown, President, Clayton E. Pratt, Treasurer," payable to the order of the American Alkali Company, and indorsed by Brown and Pratt. The defense interposed was that the notes were renewals of drafts which had been given in payment for certain patent rights, and that neither the drafts nor notes contained the words "given for a patent right" as required by the statute of Pennsylvania.

Before Acheson and Gray, circuit judges, and McPherson, district judge.

McPHERSON, *D. J.:* The decision of the case was put upon the point that the act of 1872 violated the Constitution of the United States, because (to use the language of the circuit judge) "the monopoly which a patent grants is a property right created by the Constitution and laws of the United States, and by those laws made assignable; and therefore a State law which prescribes that negotiable instruments in the ordinary form shall not be given

* The same construction has been given to similar statutes in other States. (New vs. Walker, 108 Ind. 365; Harmon vs. Haggerty, 88 Tenn. 705.)

or accepted for an assignment of the patent itself is as plainly obstructive of the exercise of a right vested by the Federal law as would be the inhibition of payment in the current funds upon the sale of a patent for cash."* We express no opinion concerning the correctness of this ruling, believing that the case may be properly decided upon another ground, namely, upon the true construction of the Pennsylvania statute.

The attack made by the plaintiff in error upon the notes in suit depends wholly upon the effect that should be given to the second section of the statute. The argument may be stated in these words: The second section declares it to be a misdemeanor, punishable by fine or imprisonment, or both, if any person, with knowledge that a negotiable instrument has been given in whole or in part for a patent right, shall take, sell, or transfer such instrument, unless the words "Given for a patent right" appear upon its face. Therefore, upon familiar principles, since it is a crime to make such an instrument, the instrument itself is void in the hands of the original payee; and, even in the hands of a *bona fide* pledgee, who is therefore a purchaser for value, it is so far invalid that it may only be enforced to recover whatever balance may be still unpaid. We are unable to assent to the soundness of this argument, and believe that further consideration of the statute and of the Pennsylvania decisions thereon will show satisfactorily that a different conclusion should be reached. The act was first considered by the Supreme Court of Pennsylvania in Haskell vs. Jones, 86 Pa. 173. The opinion of the court was delivered by Mr. Justice Sharswood, and is as follows:

"If the act entitled 'An act to regulate the execution and transfer of notes given for patent rights,' passed April 12, 1872 (P. L. 60), makes absolutely void all such notes in which the words 'Given for a patent right,' are not prominently and legibly written or printed on the face of such note above the signature thereto, there would be great reason for the contention that the act is unconstitutional and void. No State can so interfere with the right of a patentee, secured to him by the acts of Congress, to sell and assign his patent. But such is not the operation of the act, according to its letter and spirit. By the express provision of the statute the only effect of the insertion of such words is that 'such note or instrument in the hands of the purchaser or holder shall be subject to the same defenses as if in the hands of the original owner or holder.' By necessary implication, notes without such words inserted in them remain on the same footing as before the act. The sole object of the Legislature was to secure, so far as could be done consistently with the rights of innocent third persons, that notice of the consideration should be given to all who should take the paper. Nothing is better settled than that between the original parties to a note given for a patent right it is a good defense to show that the alleged patent is void; in other words, that it is no patent right at all, and that the consideration has therefore entirely failed. (Bellas vs. Hays, 5 Serg. & R. 427, 9 Am. Dec. 385; Geiger vs. Cook, 3 Watts & S. 266; Holliday vs. Rheem, 6 Harris, 465, 57 Am. Dec. 628.) All who take with notice of the consideration, take necessarily subject to the same defense. There is nothing in all this which interferes with any just right of the holder of a valid patent under the acts of Congress, nor that the maker of the note shall be permitted to show against a holder

* See BANKERS' MAGAZINE, October, 1903, page 520.

with such notice that it was obtained by fraudulent misrepresentation. This very plainly distinguishes our act from the statutes of other States which have been held unconstitutional.

To secure the insertion of these words, the second section of the act makes it a misdemeanor, punishable by fine or imprisonment, or both, for any person 'knowing the consideration of a note' to be the sale of a patent right to take, sell, or transfer it without the words 'Given for a patent right' inserted, as provided by the act. It is too plain for argument that this section in no way affects the right or title of the holder of such a note who takes it, not knowing that the consideration was the sale of a patent. He commits no illegal or indictable offense. The negotiability of a note in which the required words are not inserted is in no way affected by the act. The innocent holder, who takes it before maturity for value, without knowledge or notice of the consideration, takes it as heretofore, clear of all equities between the original parties."

In Hunter vs. Henninger, 93 Pa. 373, the court again said:

"The act of April 12, 1872, was intended to destroy the negotiable character of notes given in whole or in part for 'the right to make, use, or vend any patent invention,' in order that the makers thereof might have the right to defend as well when said notes were passed to third parties as when in the hands of the original payees. In furtherance of this intent, the act requires the indorsement, 'Given for a patent right,' to be made across the face of such notes; and this in order that no one may ignorantly purchase paper of this kind. Without this, of course, the innocent purchaser for value would not be affected. He would hold as the indorsee of any other negotiable paper. Not so, however, as to one knowing the consideration of a note given for a patent right, for such a one is, by the act, guilty of a misdemeanor, if he receives this kind of paper without having the words above stated written upon its face."

The only other decision upon the subject is Shires vs. Commonwealth, 120 Pa. 368, 14 Atl. 251, which adds nothing of present value to the previous cases. The brief *per curiam* opinion is as follows:

"There is nothing in the act of April 12, 1872, which infringes the Constitution of this Commonwealth, nor do we think it conflicts with the Federal Constitution. As a police regulation the statute has proved itself to be valuable in that it has been the means of preventing gross frauds upon our citizens, to which, before its enactment, they were subjected. Under these circumstances we are not disposed to pronounce this law invalid."

As we understand these decisions, the result is that a note made in violation of the statute is not void in the hands of any holder whatever, whether he be the original payee or a subsequent innocent indorsee or pledgee. To take the position that the note is made wholly void by the statute is, we think, to overlook the necessary effect of the first section. This declares in plain language that whenever a negotiable instrument shall be given for a patent right the words "Given for a patent right," shall be put upon the face of the instrument, and that a negotiable instrument thus marked shall, in the hands of any purchaser or holder, be subject to the same defenses as in the hands of the original owner or holder. The object of the statute is thus declared, namely, to destroy the negotiable character of the instrument, and there is nothing expressed to warrant the conclusion that the Legislature in-

tended to make the instrument void altogether. Neither should such a conclusion be readily implied, for the mischief at which the act was aimed was fully remedied by preserving whatever defenses the maker might have against the original payee. If the maker had been tricked or defrauded into making the note, or if a spurious or worthless patent had been foisted upon him by a clever knave, he was fully protected (if the act was obeyed, and the paper was marked) by permitting him to prove the fraud or failure of consideration against the title of any holder whatever. But, to deal fairly with subsequent purchasers, it was necessary to put them upon notice.

Clearly, if the paper were unmarked in ordinary negotiable form, an innocent purchaser would take an indefeasible title, and therefore it was required that the paper should carry with it a plain notification to the world that unknown defenses might exist. With both reasons in mind—the protection of the maker, and notice to subsequent purchasers—the second section was added, in order that the command of the first section might have the sanction of the criminal law, and therefore be less frequently disobeyed.

To suppose that the Legislature intended to make void a negotiable instrument given for a valid patent in a perfectly fair transaction, an instrument to which no defense whatever could be interposed, simply because by mistake or ignorance or carelessness the words "Given for a patent right" do not appear upon the instrument, is a supposition not easily to be entertained. We should only be willing to accept such a construction of the statute because we could find no other, and were left no alternative by the plain direction and positive language of the Legislature.

As it seems to us, no such situation is presented. The two sections of the act are to be taken together, and when they are thus considered and read in the light of the construction adopted by the Supreme Court of the State they lead naturally and without difficulty to the conclusion already stated—that the act does not make the unmarked negotiable instrument void, and goes no further than to save the defenses of the maker in two instances: First, where the note is marked as required by the first section; and, second, where it is sued upon by any person who takes it subsequently, with knowledge that the consideration was in whole or in part the right to make, use or vend any patented invention, or invention claimed to be patented.

If this conclusion is correct, the foundation of the defense is destroyed. No defense against the original drafts is suggested other than the argument, already considered, that the second section of the act made them void, and no other defense is suggested against the renewal notes in suit. It follows that the defendant in error was entitled to the full amount of his claim, for upon a valid obligation of the maker, who was also the primary debtor, the pledgee was certainly not bound to credit the money that he had already received from another person, who was only secondarily liable, upon a separate and collateral undertaking. Whether, even if the drafts had been void in the hands of the original payee, the defendant in error would have been obliged to give credit for this money, is a question upon which we are not called upon to express an opinion.

The judgment of the court below was right, and is now affirmed, with costs to the defendant in error.

NOTES OF CANADIAN CASES AFFECTING BANKERS.

[Edited by John Jennings, B. A., LL. B., Barrister, Toronto.]

DRAFT—BILL OF LADING—PERISHABLE GOODS.

IMPERIAL BANK vs. HULL. (Territories Law Reports, Vol. V, p. 313.)

STATEMENT OF FACTS: The facts of the case appear with sufficient fullness from the judgment of McGuire, C.J., given below.

JUDGMENT: The plaintiffs sued the defendant for the amount of a draft drawn upon the defendant by the Parsons Produce Co., of Winnipeg, payable to the order of the plaintiffs, but not accepted by the defendant.

The plaintiffs had for value taken the draft, and, as collateral security therefor, an assignment of a bill of lading of a quantity of poultry agreed to be supplied by the Parsons Produce Co. to the defendant for the price of which the draft had been made. On the arrival at Calgary of the car concontaining the poultry, the defendant's manager, Mr. Gillies, wishing to examine the goods before accepting the draft, obtained the bill of lading from the plaintiffs for the expressed purpose of enabling him to so examine. At the first partial inspection the true condition of the poultry was not apparent, but on removal to the warehouse and on opening up the crates it was found that the goods were not according to contract, and that a large portion was unfit for food. The following day, on further examination, this was confirmed, and the Parsons Produce Co. were informed by telegram, and on the 20th—two days after getting the bill of lading—the bank was informed that the draft would not be paid on account of the condition of the poultry. The defendant's manager tried to get back the bill of lading from the railway company, but was unable to do so, as the practice of that company is in such cases to retain and cancel the bill. The draft was not accepted nor was it paid.

The defendant says that he sold all the poultry that was fit for food, the rest being destroyed except a quantity shipped, at the request of John Parsons, to Vancouver; that an account was kept of all that was sold; and the value, at invoice price, was paid into court. The consignment to Vancouver never realized anything to the defendant, but as this was done without authority from the plaintiffs, the defendant on the morning of the trial paid into court a further sum which included the amount of this consignment at invoice price. The plaintiff declined to accept the money paid into court and proceeded with the trial.

The learned trial judge found that when the defendant refused to accept the draft he was guilty of a conversion in dealing with the goods, and was liable to the plaintiffs for the value of the poultry, but he also found that the sums paid into court were sufficient to satisfy the damages sustained by the plaintiffs.

The trial judge interpreted the plaintiffs' statement of the claim to be one for the amount of the unaccepted draft, and that on the pleadings as they stood the plaintiffs could not succeed. He held, however, that the facts in evidence would entitle them to succeed as for a wrongful conversion and to recover the value of the goods. He therefore ordered the statement of claim to be amended accordingly. He concluded his judgment as follows:

The plaintiffs are, therefore, entitled to receive the amount deposited in court to the credit of this cause, to wit, the sum of $827.62 deposited with the filing of the defense, and a further sum of $376.90, $125.08 of which was for goods delivered to the Parsons Produce Co. without the consent of the plaintiffs, making in all the sum of $1,254.52, for which sum the plaintiffs are entitled to judgment without costs.

The plaintiffs, on this appeal, do not contend that they are entitled to recover upon the unaccepted draft, and say that they never so claimed, and that while the language of their statement of claim may not have set out distinctly their real cause of action, it sufficiently alleged the facts, and if so they were entitled without amendment to such remedy as the facts would justify. They say the defendant was guilty of conversion and they are entitled to the value of the poultry, viz., the value of the goods to them, and that such value was the amount of the draft, because, as they contend, owing to the non-return of the bill of lading and the conversion of the goods, they were unable to return it to the Parsons Produce Co., and to demand back the amount paid by them for the draft. It is not contended that the defendant wilfully detained the bill of lading, but the plaintiffs say that he so dealt with it, by delivering it to the railway company, as to prevent him returning it to the plaintiffs. The defendant, on the other hand, says that he was entitled to inspect the goods before accepting the draft, and it was plaintiffs' duty to afford him the necessary facilities for so inspecting; that plaintiffs knew and assented to the use he was going to make of the document, and that it was not the defendant's fault that he was unable to return it to the plaintiffs.

Dealing with the plaintiffs' contention, I agree that they are entitled to damages measured by the value of the goods—and the value thereof to them—not necessarily what defendant could or did sell them for—but I cannot agree that such value was the face of the draft, nor is the reason offered a good one, viz., that by reason of defendant's acts they were unable to look to the Parsons Produce Co. Upon the dishonor of the draft they were entitled to look to the drawers, and were not obliged to give credit for the collateral security until they had actually realized thereon. (Molsons Bank vs. Cooper.)

They were not the purchasers of the poultry—by the Bank Act they could take the bill of lading as security, and plaintiffs admit that it was taken only as security. Had the defendant got possession of the draft itself and refused to return it, then the plaintiffs might have been entitled to claim its face value. A bill of lading, however, is not a bill of exchange, nor was it of any value to the plaintiffs except to give them a property in, and the right to the possession of the goods. Had the defendant been a total stranger to the plaintiffs, and had he wrongfully got possession of the goods and converted them to his own use, what civil remedy would plaintiffs have had to recover the value of the goods? There was no contract between the plaintiffs and the defendant, and their right to sue him is either because he wrongfully converted the goods to his own use and deprived the plaintiffs of them, or because they had acquired all the right and title of the owners and could sue for the price. The damages in either case would be the value of the goods, under the circumstances in this case. The evidence satisfied the trial judge that the defendant paid into court the invoice price of all the goods that were fit for food—the poultry that was mildewed and unfit for food and thrown

away was of no value to the plaintiffs or any one else; the defendants therefore paid into court the invoice price of (practically) all the poultry covered by the bill of lading.

I think the learned trial judge was justified in finding that the amount paid in was at least sufficient to satisfy the damages of the plaintiffs, even assuming that the measure of damages was the value, to the plaintiffs, of the poultry. It was argued that by the Bank Act, section 73, the plaintiffs had all the rights of the Parsons Produce Co. If so, what could that company, if plaintiffs, have recovered? At one time the law was that in an action for the price they would have been entitled to the amount agreed on, the defendant not being allowed to set up any breach of warranty in reduction or extinction of the price, but being left to a cross action for damages for such breach. But that is not the law now. The defendant is entitled to set up such breach of warranty in dimunition or extinction of the price (sec. 51, Sales of Goods Ordinance).

A distinction was drawn between the Bills of Lading Act in England (18-19 Vic. chap. 111, sec. 1) and sec. 73 of our Bank Act, inasmuch as the former, in defining the position of an endorsee of a bill of lading uses the words, "shall have transferred to, and vested in him, all rights of suit and be subject to the same liabilities as if the contract * * * had been with himself," while our act omits mention of "liabilities." Plaintiffs contended that in England the plaintiffs would, as endorsees of the bill of lading, be liable equally with the consignors—that the omission from our act of the provision as to "liabilities" indicates an intention that the endorsees (the bank) should have the rights but not the liabilities of the owners. The rights of the owners under the contract would have been a cause of action for the price of the goods, and in such an action the defendant could set up the breach of warranty in diminution or extinction of the price, and in addition he might have counterclaimed or brought a cross action for any further damage he has suffered.

The right of the defendant, in this action, if it be treated as one *ex contractu*, to set up the breach of warranty in diminution of the price, is not based on the "liability" of the owner, but by reason of its being a limitation on the measure of the owner's rights which plaintiffs claim to have vested in them. Had the defendant attempted to counterclaim against the bank for further damage suffered by him, the question of whether the bank would be liable in respect of such further damage would arise on the contention that his is a "liability" for which our act does not make the transferees of the bill of lading responsible.

But if, instead of suing on the contract, the plaintiffs are proceeding for not accepting the draft and refusing to return the bill of lading, in such an action the proper measure of damages would be, not the face of the draft but, as was decided in Rew vs. Payne, "the value of the cargo" with the addition under the special circumstances of that case, of an allowance of 2½ per cent. for the detention.

The learned judge found that the plaintiffs were entitled to the money paid into court, and, following the decisions in England of Goutard vs. Carr, and Wheeler vs. United Telephone Co., the verdict should be for the defendant, the payment into the court being an alternative defence going to the whole root of the action. It was urged for the plaintiffs that as part of the money was paid in after joinder of issue, and on the morning of the day of

trial, the plaintiffs were entitled to their costs of the action. In Goutard vs. Carr it was held that money paid into court must be deemed as paid in under the rules in that behalf; for if not so paid the clerk had no authority to receive it at all. It does not appear that any objection was made by the plaintiffs to the payment made on the opening of the trial, or that any terms were imposed as the price of leave to pay in at so late a date.

Being in fact paid in, and so far as it appears without objection, I think it must be treated as if paid in with statement of defence, and if so the plaintiffs would be entitled to the money, but the verdict would be for the defendant.

As to the amendment which the trial judge thought necessary, my learned brethren are agreed that the pleadings disclosed sufficient facts to entitle the plaintiffs to succeed without any amendment, and while I entertain very serious doubts as to that, I do not feel justified in dissenting.

Concurring, then, in their view as to this point, I agree with the disposition of the costs in the court below as set out in the judgment of my brother Wetmore. I also agree as to there being no costs of appeal to either party, and for the reasons given by Mr. Justice Wetmore. Otherwise also I agree in the result as stated in this judgment.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents - to be sent promptly by mail.

Editor Bankers' Magazine: HEALDSBURG, Cal., January 29, 1904.

SIR: We would like to have you tell us in your next issue whether or not the following is a negotiable instrument and may be discounted and purchased, the same as ordinary negotiable paper.

THE BANK OF HEALDSBURG.

No. 1. HEALDSBURG WINERY, January 26, 1904.

Original.

Received of John Doe of Healdsburg 5,000 lbs. grapes as per weight tags taken up and forwarded this date with duplicate thereof to Healdsburg Winery, value six hundred dollars ($600.)

Paid cash by draft No. 1	$200
Balance payable one-half February 15, 1904	200
" " one-half June 15, 1904	200
Total	$600

HEALDSBURG WINERY,
J. HUGHES, *Superintendent.*

Please bring or send this statement when collecting payments.

Answer.—While the amount to be paid, and the time of payment are fixed, and the obligation to pay appears to be unconditional, yet the instrument is not negotiable, for the reason that it is not payable "to order or bearer" as required by Sec. 3087 of the Civil Code of California. And for this reason the instrument would not be negotiable in any State where the Negotiable Instruments Law is in force. (See New York Act, Sec. 20.)

Editor Bankers' Magazine: CEDAR RAPIDS, Iowa, January 12, 1904.

SIR: In Iowa, January 1 is made a legal holiday, by statute, and section 3063 of the Code of 1887 provides that where a note falls due on a legal holiday presentation and demand should be made the next succeeding business day. Section 85 of the laws of 1902 provides that

a negotiable instrument is payable at the time fixed therein, without grace, and when date of maturity falls on Sunday or a legal holiday the instrument is payable on the next succeeding business day. So that a note falling due on January 1 should be presented tor payment on January 2, and should be protested on that date. There is still another provision in the section above cited, which provides substantially as follows: "Instruments falling due on Saturday are to be presented for payment the next succeeding business day, except that instruments payable on demand, may, at the option of the holder, be presented for payment before 12 o'clock, noon, of Saturday, when that entire day is not a holiday." By these conditions, a note instead of becoming due on January 1 this year, that being a legal holiday, is not due until Saturday. Then, the statutes provide that a note falling due on Saturday is to be presented on the next succeeding business day, which would be Monday. Will you advise me on what date such a note should be presented and protested. JAMES E. HAMILTON.

Answer.—If the note is not payable on demand, it should be presented and protested on Monday. The statute makes Saturday *dies non* so far as presentment is concerned, except in the case of instruments payable on demand, and hence where Friday is a holiday, Monday is "the next succeeding business day."

Editor Bankers' Magazine: PEIRCE CITY, MO., January 22, 1904.

SIR: Would you kindly explain the limitations of the following endorsement, "For deposit to the credit of Jno. Blank & Co." Check was made payable to the order of John Blank and the above endorsement was all that was made at the time check was deposited which was then cleared through another bank before being presented to the bank upon which it was drawn, bank through which the check was cleared made the usual endorsement, "Pay to the order of ——— ——— Bank or order, signed ———— Bank, ———— Cashier." We held that this was a restricted endorsement and that the bank originally receiving this check under the first endorsement did not make adequate endorsement. If you will please give your views on the matter and state just how the bank should have endorsed the check after complying with instructions in John Blank's endorsement, you will greatly oblige,

J. E. COPPOCK, *Cashier.*

Answer. —The first indorsement is very plainly a restrictive indorsement, and the drawee bank could very properly have required from the bank to which it made payment a guaranty of the genuineness of the prior indorsement. In cities where there are clearing-houses, this matter is usually regulated by a clearing-house rule which requires every bank depositing paper for clearance to place upon the same a stamp, which the rule declares to guarantee the validity and regularity of all prior indorsements. In the case stated in the inquiry, a sufficient indorsement would be "Indorsement guaranteed, ———— Bank, ———— Cashier."

Editor Bankers' Magazine: FAYETTEVILLE, Tenn., January 22, 1904.

SIR: We had in our possession some months ago two notes on one J. M. Smith. One of these notes was past due at the death of Smith, the other fell due just a day or so afterward. Mr. Smith had in our bank almost enough to pay both of these notes. We charged to his account the full amount of the note due before his death and credited the note due after his death with the balance. The lawyer of said Smith claims we had no right to charge his account with the last-named note. We should be very grateful to you if you would answer us as to this point at your earliest convenience. I might also add that the estate of Mr. Smith is insolvent, but our notes were well secured. ERNEST REES.

Answer.—While the general rule appears to be that, as against the executor or administrator of a deceased depositor, the bank cannot withhold the balance due the depositor at the time of his death to apply on his notes which had not matured at that time (Jordan vs. National Shoe and Leather Bank, 74 N. Y. 467), yet where a depositor has become insolvent, the bank is allowed an equitable set-off even though the debt is not then due. (Nashville Trust Co. vs. Fourth National Bank, 91 Tenn. 336; Ketucky Flour Co's Assignee vs. Merchants' Bank, 90 Ky. 225.) Hence, as the estate of J. M. Smith is insolvent, we think the bank had the right to charge the notes to his account.

FAMOUS AMERICAN FINANCIERS.

ROBERT MORRIS, THE FINANCIER OF THE AMERICAN REVOLUTION.*

The debt that existing generations owe to their predecessors is immeasurable. It might be asserted, with a fair degree of reasonableness, that the present age is a debtor to the past for all that it possesses. Many of our boasted inventions are but rediscoveries of what other ages have forgotten, and the ancient writer who declared that there is nothing new under the sun might repeat the observation now with

equal truth. Modern civilization, with its numerous agencies for uplifting and destroying the race, had its counterpart in the civilizations of Greece and Rome, just as those civilizations were imitations of others still more ancient.

Our system of government, dedicated to liberty, was founded centuries ago on foreign shores by those who fought against tyranny and oppression and won the battles for us. Slavery was doomed when the Puritans landed on Plymouth Rock and when Jefferson and his coadjutors formulated the Declaration of Independence. It but remained for Lincoln and the men of his time to deliver the finishing blow.

Jefferson and Patrick Henry, by their impassioned oratory, spurred the Colonies on effectually to resist Great Britain; but they only cleared the way and prepared the ground for building the new national structure devoted to liberty. Neither vehe-

* **Acknowledgment is made to Ellis Paxson Oberholtzer, Ph.D., whose recent and admirable work, "Robert Morris, Patriot and Financier," has been the source from which the material for this sketch was derived.**

ment declamation nor military ardor, however, would ever have won the struggle for American independence had adequate financial support been lacking. It was the part of a Philadelphia merchant—Robert Morris—to provide the means without which the Patriots could not have achieved success. This fact was never more clearly recognized nor better stated than in the letter which Alexander Hamilton wrote to Morris when the latter was appointed Superintendent of Finance:

> "I know of no other in America who unites so many advantages, and of course every impediment to your acceptance is to me a subject of chagrin. I flatter myself Congress will not preclude the public from your services by an obstinate refusal of reasonable conditions, and as one deeply interested in the event, I am happy in believing you will not easily be discouraged from undertaking an office by which you may render America and the world no less a service than the establishment of American independence. 'Tis by introducing order into our finances, by restoring public credit, not by winning battles, that we are finally to gain our object."

Robert Morris was born January 31, 1734, in Liverpool, coming to this country at the age of thirteen, his father being already a resident of Maryland, where he represented a firm of Liverpool merchants. Robert Morris soon went to Philadelphia, and early in life entered the mercantile house which two Englishmen, Charles and Thomas Willing, had established in Philadelphia about 1726. In this position he soon showed his business capacity, and on reaching his majority he was made a partner in the firm. Before long the house of Willing & Morris became one of the most prominent and stable mercantile establishments of Philadelphia. Morris took a vigorous stand in resisting the enforcement of the Stamp Act, though a few years later he advised against an untimely declaration of independence, hoping that peace might be secured. He entered the Continental Congress in 1775 and became a strong champion of the Patriot cause. On March 2, 1769, he had married Miss Mary White, a daughter of Col. Thomas White, of Maryland.

Robert Morris at once became active in securing the independence of the Colonies, and besides being a member of the Continental Congress, he was entrusted with other important work. As early as April, 1776, he was specially commissioned by Congress to provide measures for procuring money to prosecute the war. Though he opposed the declaration as being premature, he became one of the signers of that instrument. In the winter of 1776 Congress fled to Baltimore, leaving Morris at Philadelphia as the active head of the Government. He was energetic in providing for the defence of the city and in raising means to sustain the troops. He opposed the emission of inconvertible paper from the first, and also sought to have the powers of the Government taken out of the hands of committees or boards and vested in the heads of departments, thus obviating the irresponsibility of divided authority. The same view was expressed by Hamilton in a letter written in 1780, in which he suggested the appointment of Morris as the head of the department of finance—a position to which he was called by Congress February 20, 1781. His public services had been extensive already, as he had been four times elected a member of Congress and had also served in the Pennsylvania Legislature. While serving in this latter capacity in 1781 it is said: *

> "He contended almost single-handed with the whole soft-money host who still had not learned that currency need be more than printed pieces of paper. As a result of his spirited tactics, in February, 1781, the Assembly repealed the laws making the issues of January 29, 1777, and March 20, 1777, legal tender. This victory was no sooner gained, however, than the advocates of paper money, on April 6, authorized a new printing of £500,000 worth of bills. Morris and Mifflin, having exhausted their efforts to prevent its passage, aimed to have the measure reconsidered, and finally, in June, a tax was laid to assist in redeeming the notes, and some public lands were sold to establish a fund from which to provide for taking up the issue. All State laws making the Continental bills a legal tender were repealed, and all laws in sup-

* "Robert Morris, Patriot and Financier," by Ellis Paxson Oberholtzer, Ph.,D.

port of old State or Colonial emissions, except those of March 25, 1780, and April 6, 1781, were accorded the same treatment. Fines, penalties, and public salaries, which had been determined in terms of wheat, henceforth were to be reckoned in gold and silver, and Morris was rewarded for his exertions by seeing an immediate rise in the value of the State's outstanding paper money. He could now from his high place as Superintendent of Finance point to the Pennsylvania system as one worthy of the imitation of the other American States."

In informing Congress of his acceptance of the office, Morris wrote:

"A serious conviction of that duty which every citizen owes to his country, especially in times of great public calamity, will no longer permit me to hesitate about the acceptance of the office, although I must again repeat that I have the fullest sense of my own inability. I shall, however, strive to find such assistance as will enable me in some measure to answer the reasonable expectations of Congress, to whom I can promise for myself nothing more than honest industry. In accepting the office bestowed on me I sacrifice much of my interest, my ease, my domestic enjoyments, and internal tranquillity. If I know my own heart, I make these sacrifices with a disinterested view to the service of my country. I am ready to go still further, and the United States may command everything I have except my integrity, and the loss of that would effectually disable me from serving them more."

Before he would become Superintendent of Finance Morris insisted that he be given large powers in the matter of contracting for supplies for the army and in the appointment of his assistants. One critic declared that Congress had practically abdicated in favor of Morris. "Congress," he said, "gave him all, like a young man just come to the possession of a large but intricate estate, who after many virtuous and great efforts to clear and ascertain it, in some indolent, wicked or capricious moment grows tired of acting for himself. 'Here,' says he, 'take my papers and my money, but allow me a fair subsistence. Do with them what you will; I am too great a fool to do my own business.'" Another wrote that Mr. Morris having relieved Congress from all business of deliberation or executive difficulty with which money is in any respect connected, "they are now very much at leisure to read despatches, return thanks, pay and receive compliments, etc."

These sarcastic comments were not destitute of truth; Congress had shown great weakness and incapacity in dealing with the financial problems of the war, and a stronger and more competent hand was needed.

But while there were those who were envious and jealous of Morris, he did not lack appreciation from the most distinguished men of the time. Hamilton's opinion has been given. Franklin, Jay, John Hancock and all the leading Patriots approved of the appointment of Morris. On June 4, 1781, General Washington wrote:

"I felt a most sensible pleasure when I heard of your acceptance of the late appointment of Congress to regulate the finances of this country. My hand and my heart shall be with you; and as far as my assistance can go, command it. We have, I am persuaded, but one object in view, the public good, to effect which I will aid your endeavors to the extent of my abilities, and with all the powers I am vested with."

One of the first things Morris did was to secure the establishment of a bank. He had been associated with the Pennsylvania Bank, which had been instrumental in providing supplies for the army. On December 31, 1781, Congress incorporated the Bank of North America, at Philadelphia, with $300,000 capital. The specie to found the bank was obtained chiefly from imports from France. Events soon showed the value of the bank to the Government. In less than two weeks after the bank was opened it loaned the United States $100,000 and a few months further sums, amounting in all to $400,000, or $100,000 more than the bank's paid-up capital, were obtained.

When Morris assumed the duties of his new position, on June 27, 1781, the financial affairs of the country were in bad shape. Continental currency was almost worthless, and the contributions which the States were called on to make were greatly in arrears, and Congress, even after the Articles of Confederation became operative, lacked the power to enforce compliance with its demands.

Besides the aid of the bank, Morris strove to economize in expenditures and to obtain revenues sufficient to meet the expenses of the military campaigns and to defray the cost of running the Government. He found great difficulty in collecting the taxes from the States, and was compelled to resort to various expedients to obtain money. Alternately he coaxed and threatened the States and appealed to their patriotism, but often with little avail. Although the means of the struggling Patriots were scanty, he deemed this an insufficient excuse for failure to pay taxes. To the Governor of Connecticut he wrote on July 31, 1782:

"As to the complaint made by the people of a want of money to pay their taxes, it is nothing new to me nor indeed to anybody. The complaint is, I believe, quite as old as taxation, and will last as long. That times are hard, that money is scarce, that taxes are heavy and the like, are constant themes of declamation in all countries and will be so. But the very generality of the complaint shows it to be ill founded. The fact is that men will always find use for all the money they can get hold of and more. A tax-gatherer, therefore, will always be an unwelcome guest, because his demand must necessarily interfere with some pleasurable or profitable pursuit. Hundreds who can not find money to pay taxes can find it to purchase useless gewgaws and expend much more in the gratification of vanity, luxury, drunkenness and debauchery than is necessary to establish the freedom of their country."

The activity of Morris in endeavoring to obtain money was unceasing. Prior to the advance on Yorktown, there was dissatisfaction among the troops, and the necessity of paying them was urged by General Washington. Having exhausted all other means of raising funds, Morris applied to Count Rochambeau, the commander of the French forces, for a loan of $20,000 in silver, which was finally obtained. But the amount was insufficient, and Morris was obliged, as at other times, to use his own personal credit to get the additional money needed. The Superintendent of Finance was continually met with requests for money, with most of which he was unably to comply. He sometimes made excuses, and occasionally put off applicants for payment on account by telling them that it was his rule to make no partial payments. But he was by no means insensible to many of the appeals made to him. Of General St. Clair he wrote:

"This gentleman's distress is beyond description. Not a dollar in his possession at a time when duty calls him to camp, and a starving family to remain behind him. I must therefore supply him some way or other, but it is exceedingly hard to advance perpetually my own money to those whom the public distress by non-payment."

How hard pressed the Superintendent was is illustrated by the fact that in 1783 when eighty Continental soldiers marched to Philadelphia to collect their back pay, Morris and the Congress fled to Princeton. But by means of taxes, loans and the aid of the bank, and the employment of his great personal credit, and a judicious use of the knowledge which he had gained as a merchant, Morris was able to render the greatest service to the Patriot cause. When the war was brought to a successful termination, he wished to see the debt provided for, and Congress refusing to accept his views, he wrote a letter on January 24, 1783, resigning his office. In this letter he said:

"My attention to the public debts arose from the conviction that funding them on solid revenues was the last essential work of our glorious Revolution. The accomplishment of this necessary work is among the objects nearest my heart, and to effect it I would sacrifice time, property and domestic bliss. * * * To increase our debts while the prospect of paying them diminishes, does not consist with my idea of integrity."

At the urgent request of a committee of Congress Morris continued in office until November 1, 1784. In addition to the numerous difficulties of his position, charges had been made respecting his administration of the finances. On his retirement he made a full and detailed report of all the transactions during his term.*

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* For a statement of the accounts of Morris as Superintendent of Finance, see BANKERS' MAGAZINE, February, 1860, p. 577.

After withdrawing from the office of Superintendent of Finance Morris devoted himself actively to business, particularly to his large shipping interests. He was a member of the convention for framing the Constitution of the United States, and made the speech nominating Washington as chairman of the convention. When the Constitution was ratified, Morris was elected to represent Pennsylvania in the United States Senate, having declined the position of Secretary of the Treasury which Washington had tendered him. On the expiration of his term as Senator he refused to accept the office again, desiring to devote his attention to his personal affairs. These had become hopelessly involved, and heavy land and other speculations gradually brought the famous Financier to financial ruin, and finally to a debtor's prison. On the eve of his incarceration he wrote in his diary: "My money is gone; my furniture is to be sold; I am to go to prison and my family to starve. Good night."

While in prison he entertained General Washington at dinner. In the last year of his life General Washington and Mrs. Washington wrote a letter inviting Mrs. Morris and her daughter to visit Mount Vernon, the letter concluding as follows: "Be assured we ever have and still do retain the most affectionate regard for you, Mr. Morris, and the family."

Robert Morris not only enjoyed the confidence and friendship of those with whom he was in political accord, but of other eminent men. While a member of Congress in 1782 Madison wrote: "My charity, I own, cannot invent an excuse for the prepense malice with which the character and services of this gentleman are murdered. I am persuaded that he accepted his offices from motives which were honorable and patriotic. I have seen no proof of misfeasance. I have heard of many charges which were palpably erroneous. I have known others somewhat suspicious vanish on examination. Every member in Congress must be sensible of the benefit which has accrued to the public from his administration; no intelligent man out of Congress can be altogether insensible of it." Jefferson, one of Morris's most pronounced political antagonists, also expressed appreciation of his abilities.

On April 4, 1800, Congress passed a law that on the petition of his creditors a man could be adjudged a bankrupt and be released from prison. Morris was set at liberty August 26, 1801, after having been in jail for over three and one-half years. Proof was made in court of debts amounting to $3,000,000. He was sixty-eight years of age at the time of his release, and was, he declared, "without a cent." From Gouverneur Morris (who was a friend and business associate of Robert Morris, but not a relative) Mrs. Morris received a payment of $1,500 annually for life. Robert Morris died May 8, 1806, and his widow survived him by twenty-one years.

From the beginning of the Revolutionary struggle to its close Robert Morris was prominent in the work of providing funds for carrying on the war. How difficult his task was, under all the circumstances, can hardly be realized now. That he was sound in his financial views, and possessed of unflagging zeal and patriotism, can not be doubted. His business experience and high credit were of the greatest value to the Patriot cause.

As the Financier of the American Revolution and one of the wealthiest merchants of his day, Robert Morris was one of the leading social figures of the time and at his house he frequently entertained the most distinguished Americans as well as many visitors from foreign shores.

The financial downfall of the great merchant and Financier furnishes an impressive warning against speculation, even when carried on by men of the greatest capacity. But neither the misfortunes of his later years, the detraction of his enemies, nor the lapse of time, can obscure the services which he rendered to the cause of American independence or dim the lustre of the name of Robert Morris.

Elmer H. Youngman.

NATIONAL BANK OF COMMERCE, SAN ANTONIO, TEXAS.

The favorable prospects which marked the opening of this bank on October 8, 1903, are being realized in a manner very gratifying to the management and friends of the bank. Several factors have contributed to the rapid and steady growth of the National Bank of Commerce in public favor. In the first place, the capital of $300,000—which exceeded the capital of any other bank in San Antonio—tended to attract attention and inspire confidence. Then the business conditions in Texas have been good, as a rule, during the life of the bank, and the institution shared in the general prosperity. Besides, the management is strongly representative of the spirit of progress which has done so much to promote the upbuilding and development of the resources of Texas in recent years. The officers and directors are a body of conservative men, each name representing marked success in banking and other business enterprises.

J. P. Barclay, President of the National Bank of Commerce, is a lifelong banker. He was for many years connected with a bank at Bowling Green, Ky., and for the past ten years he has been continuously engaged in banking at San Antonio. He is regarded as one of the leading bankers of Texas, and is held in high esteem for his personal qualities as well as for his sound business attainments.

R. L. Ball, the Vice-President, is a member of the law firm of Ball & Ingrum, and is one of the leading attorneys of the city. He has resided at San Antonio for about ten years, having been formerly a resident of Colorado, Texas, where, besides practicing law, he was President of the Colorado National Bank.

John M. Bennett, Jr., Assistant Cashier, is well and favorably known, having been assistant teller of the San Antonio National Bank prior to the organization of the National Bank of Commerce.

All of the directors are residents of San Antonio, except Chas. Schreiner, of Kerrville, and Robert J. Kleberg, of Corpus Christi. Mr. Schreiner is a banker and merchant at Kerrville, and is one of the wealthy men of the State, having extensive interests in land, cattle and merchandise. Robert J. Kleberg is the manager of the Mrs. H. M. King properties, the largest and most successful ranch properties in the country, and is also President of the Corpus Christi National Bank.

The local members of the board are: John M. Bennett, Sr., President of the First National Bank, of Yoakum, Texas, and one of the wealthy men of Southwest Texas; Nat M. Washer, of Washer Bros., San Antonio and Fort Worth; Geo. R. Stumberg, W. J. Moore, of Moore & Allen, and W. W. Lipscomb, formerly in the banking business at Luling, Texas. These gentlemen represent strong and diversified business interests, and their long identification with San Antonio and Southwest Texas will contribute greatly to the solidity and growth of the National Bank of Commerce.

J. P. BARCLAY

President National Bank of Commerce, San Antonio, Texas

THE COMMERCIAL WAREHOUSE RECEIPT—ITS USES AND DANGERS.

[Paper read before the Philadelphia Chapter American Institute of Bank Clerks by Philip Godley, member American Warehousemen's Association, and subsequently presented at the annual convention of the American Warehousemen's Association held at Washington, D. C., December 2, 3 and 4, 1903.]

The subject on which you ask me to enlighten you is a comprehensive one, with many ramifications, and possible of many complications, and yet based on a principle that would seem to be simplicity itself.

Warehousing is but a system intended to secure to commerce every possible facility to aid in the free distribution of merchandise and for the development of commercial credit, and the warehouse receipt a method for the convenient and economic transfer of title to stored goods, and turning bulky goods practically into a paper currency, and by constructive delivery to transfer property from one owner to another, without physical effort or motion and its consequent cost. Hence the warehouse receipt has come to be used also in the form of collateral, enabling the merchant to secure temporary accommodation in the way of loans, with less strain to his credit because of his giving security in pledge.

As early as 1866 in the State of Pennsylvania our law-making body enacted legislation governing warehousemen, terming them "bailees," covering also the issue of warehouse receipts, the points of which may be told under the following headings:

(1) Warehouse receipts and bills of lading to be negotiable. Transferee to be deemed the owner of the goods. Lien of holder. When property to be delivered.

(2) No receipt to be given except for goods actually received.

(3) Warehouse receipts which shall have the words "not negotiable" plainly written or stamped on the face thereof, are exempt.

(4) Duplicate receipts to be so indorsed.

(5) Penalty for violation.

(6) Act extended to grain in elevators or petroleum in barrels.

(7) Warehousemen not to sell without return of receipt.

(8) Petitioner for delivery of goods when receipt has been lost or destroyed.

(9) Petition to execute and file a bond to be fixed by the court. Company to be fully released, but not lien of the company to be impaired.

(10) Conditions of bond. Any person injured may institute an action of debt.

(11) Costs of proceedings and counsel fee to respondents to be paid by petitioner.

(12) Manner of attaching goods in the hands of a bailee. Holder of the receipt to be the garnishee.

(13) Bailees not liable to owners if goods are taken by legal process.

(14) Actions for property delivered by mistake.

Diversity of State Laws in Regard to Warehouse Receipts.

Thus it would seem that in our State the statutes have fairly and quite fully provided protection (as well as penalty) for all parties interested, and the courts have rendered numerous decisions giving precedents and vitality to the legislation.

The confines of a paper such as this and the time alloted for the subject, must preclude my going beyond the limits of our own State, but the lines of trade and

commerce passing daily through the institutions which you represent necessarily go far beyond and into nearly every State in the Union, hence I must call your attention to the fact that State laws on warehouse receipts differ as widely as do divorce laws.

(For information as to this diversity, there is in the hands of the publishers, to be now soon issued, a compilation of the warehouse laws of all the States, made by a Washington attorney, under the auspices of the American Warehousemen's Association, a book that ought to be in the reference library of every bank.)

This diversity should not be so, for our people and their commerce are so interlocked, their interests through modern and rapid means of communication, by railroad, telegraph and telephone, are so nearly one, that all commercial documents should be as one, and a warehouse receipt issued in one State ought to be as well known and as good an instrument in every State of our Union as in the State of issue. I refer to this because it is probably within your knowledge that there exists an organization known as "State Boards of Commissioners," and that through the efforts of this organization there has been prepared a code of laws governing notes, checks and drafts, which have been enacted in twenty States, viz.: Arizona, Colorado, Connecticut, Florida, Iowa, Maryland, Massachusetts, New Jersey, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Utah, Virginia, Washington and Wisconsin, and by Congress for the District of Columbia. This same Board of Comissioners, in conjunction with the American Warehousemen's Association are now bending their efforts to obtain a similar uniformity in the laws governing warehouse receipts. The mere mention of this will suffice, I think, to open to your minds the great possibilities and advantages to be obtained in the success of this undertaking, and if its importance appeals to you, I am confident you could help the good work along by such expression of approval as may seem to you proper to grant.

Legal Opinion Concerning Warehousemen and Warehouse Receipts.

In order to give you in as brief a manner as possible the chief points and principles as to who and what is a warehouseman and his warehouse receipts, I think I could not do better or make as disinterested a statement as by quoting you from a written opinion made by a distinguished gentleman of this city, learned in the law, to the President of the American Warehousemen's Association in 1895 in reply to a series of questions presented by that organization, as follows:

"Question: Please cite a few cases where losses have occurred through warehouse receipts, giving the points at issue.

Answer: The possession of a warehouse receipt is a symbol of the possession of the property described in it. There are certain losses that might happen to this property, as well when held through warehouse receipts, as when held through actual possession. These losses are destruction or deterioration by the elements, such as by fire, flood, etc., by insurrection, by riot, or by public enemy, and in none of these cases would the warehouseman be liable, except where the injury had occurred through his own negligence. As you will perceive, therefore, if the warehouseman has performed his duty, and there be no negligence imputable to him, the above losses are not incident to the warehouse receipt. A warehouseman is bound for the exercise of ordinary diligence, or that care which prudent persons usually take of their property. He is not like a common carrier, liable as an insurer of the goods; he is not liable for losses or injuries where he uses all the care and diligence in relation to the property, which prudent men exercise in relation to their own. (See the cases of Knapp vs. Curtis, 9 Wendell 60; Platt vs. Hibbard, 71 Cowen 497; Steamship Co. vs. Smart, 107 Pa. 492.)

Using due diligence, he is not responsible for goods stolen or embezzled by his

storekeeper or servant, or for losses caused by fire or by accident. (See the case of Schmidt vs. Blood, 9 Wendell, 268; Claflin vs. Mayer, 75 New York 260.)

The warehouseman may render himself liable for loss by fire by warranting his warehouse to be fireproof. (Hickey vs. Morrell, 102 New York, 454.)

But he is liable for the goods where they are lost or stolen through his negligence or want of due care. (See the cases of Halyard vs. Dechelman, 29 Mississippi, 459; Petty vs. Overall, 42 Alabama, 145; Lanb vs. The Camden and Amboy Railroad Co. 46 New York, 271.)

The possessor of a warehouse receipt may lose the property represented thereby, by the want of fidelity of the warehouseman, who has it in his power to appropriate the property to his own use, and by his want of diligence in taking due care of it, in consequence of which it may be injured or destroyed, but in both these cases the holder of the receipt has his action for damages for the value of the goods against the warehouseman, the value of which action depends upon the pecuniary responsibility of the warehouseman. Reference to the above-cited cases will make this very clear.

Warehouse Receipts as Collaterals.

Question: What are the advantages and dangers of warehouse receipts as collaterals?

Answer: The advantage of a warehouse receipt is that it enables the goods described in it to be sold, or pledged for a loan of money, by the mere delivery of the warehouse receipt, thus avoiding the inconvenience of an actual removal or delivery of the property itself. In other words, the warehouse receipt is a symbol for the property described therein, and a delivery of the receipt is, in law, a delivery of the possession of the property.

The danger of a warehouse receipt as collateral may arise from an insufficient or false description of the property in the receipt, from the unfaithfulness of the warehouseman, who may misappropriate the property committed to his keeping, or from the negligence of the warehouseman in failing to take due care of it. In all of these cases the holder of the warehouse receipt might lose his claim upon the property, either in whole or in part, as the case might be, and would be relegated to the personal responsibility of the warehouseman for the reimbursement of his loss. Of course, if the warehouseman has been faithful, and guilty of no negligence, losses may arise by the elements, etc., as above stated, but such losses might equally occur whether the property were held on a warehouse receipt or be in the actual possession of the owner, and, of course, such losses could not be charged to the fact that the owner or pledgee of the property held a warehouse receipt, rather than the property itself.

Question: What danger to the holder of a warehouse receipt is likely to arise from want of good character of the warehouseman or knowledge of his business?

Answer: Good character, a competent knowledge of the business and a pecuniary responsibility are requisites of the highest importance in a warehouseman, not only in attracting business to him, but in giving his warehouse receipts a commercial credit in trade circles and among financial institutions. Persons depositing merchandise with a warehouseman are obliged to trust to his fidelity and diligence in taking due care of their property, and persons dealing in warehouse receipts are in the same position, and must also trust to the accuracy of the warehouseman in describing in the receipt the property entrusted to him. If the warehouseman misappropriates the property, or fails to take due care of it, or if he falsely or insufficiently describes it in the receipt, the holder of the receipt may lose his claim to the property, and may only have an action for damages against the warehouseman. It must, therefore, be apparent that the character, competency and pecuniary respon-

sibility of the warehouseman are all important factors in the successful prosecution of his business.

Question: What is the value of a warehouse receipt issued by a man on his own property, in his own warehouse, should he become insolvent?

Answer: A warehouse receipt issued by the owner of property in his own warehouse is but little better than an unsecured promissory note of such person. It is true that before the rights of creditors or purchasers have intervened, the holder of such receipt might recover the property from the owner by a writ of replevin, but if possession were not recovered before the warehouseman had failed, or the rights of creditors or purchasers had intervened, the title to the property on such warehouse receipt would be invalid as against such creditors or purchasers.

The case of the Union Trust Company vs. Trumble, 28 N. E. Reports, 355, is an illustration of this. The facts of the case were, that a wool merchant had leased part of his store to warehousemen, who, without going into possession (the lease probably being a fiction) issued warehouse receipts to the merchant for wool, which he stored on the premises, and of which he retained the control, the wool not being marked or set apart. It was held that such receipts were void, as against the other creditors of the merchant, upon his making a voluntary assignment. Of course, where goods are stored with a regular warehouseman, and a warehouse receipt issued against them, and that receipt has been negotiated either to a purchaser or pledgee, such purchaser or pledgee will take a good title to the property as against the party depositing the property in the warehouse, or his creditors or subsequent purchasers."

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It goes without saying that in making loans on merchandise as great care is to be maintained in the selection as in any other class of collateral. Marketable qualifications, invoice valuation, appraised value, season conditions, etc., and always with fire insurance policies. All the leading commodities, both in raw materials and food products, necessities of life as well as some luxuries, should be good and safe security for loans of moneys, and accompanied with the obligation of the borrower, render less probability of loss than on the average discounting of unsecured paper.

Loans on Perishable Commodities.

In these days, food products such as butter, cheese, eggs and poultry as carried in cold storage for preservation, are coming in favor, and deservedly so, for science, skill and experience have so developed these operations that within reasonable seasons or lengths of time, they make as good collateral as imperishable commodities. For instance, butter, cheese, eggs and apples are produced in seasons and loans are negotiated on the basis of low prices during the plethoric period of gathering. A little thought will suggest to any common-sense mind that as eggs, butter, cheese are gathered between the months of March to July, that such stocks ought not to be carried much over the following first of January. This because of market conditions and regardless of atmospheric change or question of the warehouse preservation. Again, an apple crop should be distributed before the spring fruits arrive, even the early Southern shipments.

Loans on Imports in Bonded Warehouses.

A special branch, as to which some minds are skeptical, is that covering imported merchandise carried in customs bonded warehouses. Here the Federal Government is the supreme power, and whilst jealous of its prerogative, is not unmindful of the fact that the proprietor of the warehouse whose bond has been accepted has more or less equal say as to the control of the deposits, for they are declared to be in the "joint custody" of the respective parties whose locks secure the entrances. Herein

is the protection to the holder of this class of collateral, for it has been officially declared that Government officials must respect an obligation to make delivery on the part of the warehouse proprietor, because he is one party to the custody, which is joint. Yet in order to obtain complete control (the importer having the sole right to tender duties at the custom house) power should be given by means of signed withdrawals. This system seems somewhat cumbersome and awkward to the inexperienced, and it is hoped that improvement can be brought about, effort to which end is under consideration.

Dangers and Abuses of Warehouse Receipts.

Not the least interesting and important side to this whole question of warehouse receipts is, what are the dangers and what are the abuses to which the system is liable. In considering this it will probably be necessary to be more specific in treatment. As has been pointed out to you through the legal opinion above quoted, the standing of the warehouseman is of the utmost importance in the beginning. I believe it will be safe to assume that all warehousemen who have been long established appreciate that they are in the highest sense trustees. Capital and financial responsibility are essential, and yet no matter what the proportion of capital to space, a warehouseman will be entrusted as custodian of values far and away beyond the capital in his business. Hence the advantage of a realizing sense of trusteeship, for the maintenance of which the warehouseman should be entirely removed from trading and merchandising. More than one instance could be recited where firms and corporations have organized a warehousing department or storage company, whose sole business has been the handling of goods manufactured or traded in by the owners, designed in the beginning, perhaps, solely with a view to economy in having their warehouse department alongside the mill, factory or store, but stress of circumstance has led to pressure on the warehouse manager to issue receipts for goods never put in the warehouse, or caused delivery of goods on which the receipt has not been returned.

Hence a warehouse receipt issued by an owner, on his own goods in his own warehouse, may not be so good as even single-name paper.

A modern method has grown up in some sections of the country (I believe our conservative Philadelphians are not open to the charge) where large corporate warehouses have become merchants, and when their special commodities fail to flow in natural channels into their warehouses, purchasing in the open market has filled their houses with the desired commodities, and their home (or perhaps somewhat distant) banks, have aided in carrying such merchant-storage stocks.

A good rule to adopt when warehouse receipts are accepted would be to advise the warehouse of the fact that the bank is the holder. There might be damage by fire or flood, accidental or providential disaster. Periods occur when even the good and strong meet with adversity and diligent creditors seek the assistance of a legal official to "catch-as-catch can" whatever and wherever value may be found. How useful the opportunity if the warehouseman could step into his 'phone box and quickly advise the holder of any condition that would affect his interests. Whilst storage charges are seldom a serious menace to merchandise property, yet like interest, it works, diligently, nights, Sundays and holidays, never fearing overwork or nervous prostration. Hence, accumulation, either at the beginning or during the continuance of a loan; it should be borne in mind, for it is always a prior lien. A word from a bank will accomplish settlement much more promptly than any diligent collector of the warehouse.

The question of title to stored property is seldom raised, and possession sufficient to enable the holder to deposit in his own name suffices to warrant the warehouseman in issuing a warehouse receipt, and recovery against it can only be obtained by due process of law.

Bank Loans on Merchandise in Warehouses.

Merchandise deposited in warehouses can be used as collateral without the use of negotiable warehouse receipts, and I desire to call your especial attention to the method which I have recommended to several banks, and which is used to a considerable extent by a number of warehousemen (including myself) to the eminent satisfaction, I believe, of all who have adopted it.

I mean the transfer by the storer on the books of the warehouse to the bank or banker making a loan, and the taking of a non-negotiable receipt in the name of the bank or banker. The advantages are twofold: first and chiefly, because thereby title to the property is invested in the bank, and in case of insolvency overtaking the borrower and issue of attachments, if a county sheriff visit the warehouse, the answer is plain, nothing here for you to reach or touch. If, however, the goods stand on the books of the warehouse in the name of the storer, though the negotiable warehouse receipt be entered up against them, a truthful warehouseman can hardly deny the deposit sought by the officers of the law, and there will at least be an equity in the goods which the sheriff will attempt with earnest endeavor to reach. It is a question, too, if the served attachment might not hold, and the bank be put to the trouble and expense of replevin and possibly an action in court to defend. This is especially the case now, since at the last session of our Legislature an act was put on the statute books extending the powers of the sheriff, and authorizing service and summons in "any other person than the defendant found in possession of the goods and chattels," and dragging the warehouseman in as defendant also.

Secondly, the method of transfer simplifies the transaction where partial deliveries or releases are to be made, for instead of the necessity of sending a messenger with the receipt to the warehouse (which may be quite distant) to get endorsement before delivery, a bank officer need only sign a delivery order. When the loan is closed out, the non-negotiable receipt should be marked canceled and returned to the warehouse issuing it.

If the loan be made on a negotiable warehouse receipt, send it to the warehouse with endorsement to transfer and issue a new receipt in the name of the bank, which new receipt may just as well be of the non-negotiable class.

In all cases the receipt, whether negotiable or non-negotiable, should accurately and fully describe the merchandise by mark or number, so that identification shall be unmistakable. The negotiable warehouse receipt serves its greatest usefulness in passing possession from buyer to seller, but in my judgment the system of transfers of merchandise is greatly preferable for collateral uses, both for protection and simplicity. In all methods or systems of credit, there are necessarily dangers, some more, some less, but a note with collateral certainly is better than a note standing alone, even with another name on its back, and rare are the instances where heavy losses are met with collateral loans.

I have experienced instances suggestive that the warehouse receipt has not been understood or appreciated, and that this class of collateral is not looked after as carefully as is that of the stockbroker. Fire insurance expirations are not always watched. Failure to appreciate the responsibility and duty of the warehouseman has been exhibited. When a borrower having made release for partial delivery, I have known banks to telephone request to give Mr. So-and-So a certain number of packages, and the receipt would be sent around in the morning or when the runner comes in. I have wondered what a bank officer would say if I were to 'phone him to give my well-known clerk $100 and I would send a check around in the morning. Field warehousing is of a class that needs watching.

A recent case in this State occasioned loss by reason of the warehouse company

issuing its receipts on a lot of pig iron, which turned out to have been on leased ground, the warehouse company being a sub tenant, without the knowledge or consent of the owner of the land, and the iron was taken under distraint for rent.

The value and importance of this system of merchandise collateral as adding to the methods of safe credit should not be underestimated, for it is one of the necessities of modern trade and commerce, and is destined to become vast in its proportions. If I were permitted to offer any suggestion, it would be to the progressive banker: prepare you a department to study and handle this branch of business in an intelligent and systematic manner, and develop it to the mutual advantage of yourself and your customers, and in closing I beg to quote you the words of President Nash, of the Corn Exchange Bank, of New York, as stated at its fiftieth anniversary banquet.

"The bank has, however, made two important contributions to American banking. President Dunham, being familiar with the grain business, introduced, immediately on taking office, the unusual practice among banks, of assisting merchants to carry large stocks of grain and merchandise in this port, by making loans on that class of collateral, when represented by warehouse receipts or bills of lading. It subjected us at the start to the stigma of being a pawnbroker's shop, and this stigma was freely applied. But eventually the principle of advances on merchandise was adopted by other banks until now it is well-nigh universal. It has always been a distinctive part of our business. Mr. Dunham used to say that wheat and cotton, wool and pork, lard and coffee were as good as gold, and he was ready to give gold to the man who was willing to pledge these commodities as security for its payment. He, however, confined his operations to the great staples named, because the quality and the price were less subject to wide variations, and was chary of general merchandise, where the differences are much more marked, and to a non-dealer somewhat deceptive. This preference for the staples has not prevented us from going into less desirable lines of business, where the solidity of the borrower has outweighed the disadvantages of his collateral, and varied and sometimes amusing lists of merchandise have been reported to our directors for their approval."

APPRECIATION OF THE MAGAZINE.

MADISON, Wis., January 13, 1904.

The Bankers' Publishing Co., New York.

DEAR SIRS: Having been a continuous subscriber to THE BANKERS' MAGAZINE for the past fifty years—all now bound—we are pleased to renew the same another year however, as per inclosed blank, also verification card of classified items and published legal statement. Very truly yours,

N. B. VAN SLYKE, *President First National Bank.*

NEW YORK, January, 14, 1904.

The Bankers' Publishing Co., New York.

GENTLEMEN: Permit me to compliment you on the very fine appearance of THE BANKERS' MAGAZINE for January, 1904. It makes an artistic, and at the same time substantial, impression. Very truly,

EDWIN GOODALL, *Treasurer Bankers' Money Order Association.*

APPRECIATION FROM A BANK CLERK.—Harry Evers, a clerk in the Manufacturers and Traders' National Bank, Buffalo, N. Y., writes as follows under date of January 9:

"Enclosed please find New York draft and order for subscription for THE BANKERS' MAGAZINE. Through reading one of the bank's copies every month, I have appreciated your MAGAZINE for a long time, and in my preparation for the debate in which I had the honor to take part at Cleveland, it was in the files of your magazine that I found the most help."

WILLIAM PERRY BROWN.

PORTRAIT AND SKETCH OF THE GREAT AMERICAN COTTON KING.

Eminence not every man may hope to rise to. For while the sun shines on all alike, as the old adage has it, and Shakespeare has spoken truly of the "tide in the affairs of men" and all that, still, some men command fortune and leadership so early and easily, so naturally and completely and wisely, it seems their birthright.

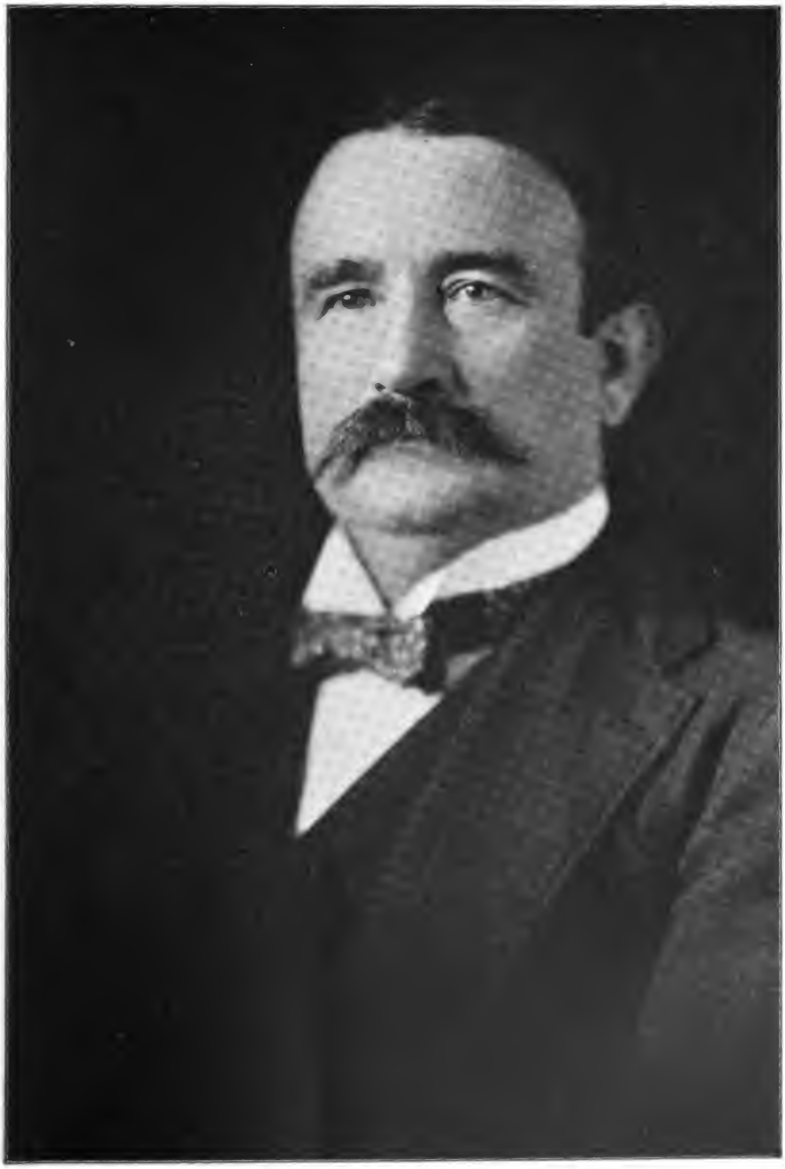
Of this character of man, a shining exemplar is the subject of this sketch, the world-famous "bull" operator of the cotton market, and principal in last summer's glorious campaign, involving no less than 300,000 bales of the actual staple and some $20,000,000 value, and sending prices soaring to a point from which they have not yet sensibly descended.

The successful man, the man of action and affairs, who has thus risen to the rank of a personage, is, to the public, always an interesting character. He is the more so when, as in the present instance, his business touches another as closely as it does the one this magazine specially addresses. But what particular manner of man, the reader may say, is he? Of his market achievements the knowledge is general; the papers have been full of it. Him, personally, that is the question.

Of the man then a word first, and of his performances later. Thousands have seen him, as the writer has, on 'Change, both in New York and in New Orleans, cool, calm, serene, imperturbable—like the Storm King, literally "in his element." Other thousands have met him in a business way, in his New Orleans offices, or here, may be, at the Waldorf-Astoria, upon the occasion of one of his frequent visits to the metropolis.

He looks a man of medium build, or slightly more than it; is plainly but genteelly attired in business tweed, unadorned—without ornament of any sort in fact, but one, namely, a heavy gold watch guard, with its highly-appropriate pendant, a golden bull, for charm. In his profile the distinguishing feature is the nose, a Roman nose, a nose of poise and self-reliance, energy, aggression, ascendancy. The caput is uncommonly high; it is a brain-case that would have delighted old Professor Fowler. The brows are heavy, the jaws full and firm; jaws these, assuredly, of determination, tenacity and power. The complexion, finally, rather florid, the face almost unwrinkled, the hair and moustache as yet untinged with gray—all the marks of a man still upon the sunny side of his existence.

On closer acquaintance a very approachable man; a man unspoiled by his good fortune; frank and open of manner, but positive—indeed, decidedly so; ready enough of speech when he chooses, but ordinarily, reticent. And very well able to give reasons for the faith that is in him. In New Orleans, where his home is, his office surroundings are very severely simple. The furniture and fittings are plain and old-fashioned. He sits by the door, at a little roll-top desk, looking out on the cotton sampling room of the firm, easily accessi-



Pirie MacDonald, Phot'gr of Men, N. Y.

W. P. BROWN

ble, transacting there a business of millions, with the four quarters of the globe. Evidently a man who values the substance of things more than glitter or appearances. Those who know him intimately will tell you that he is a man of family, his wife being a daughter of the late Judge Geo. H. Braun, a distinguished jurist of New Orleans; that he is building for himself the most palatial home in New Orleans; that he neither drinks nor smokes; that he loves music and the company of his friends; is a club man and member of public bodies and a liberal giver for all public purposes; but that business is his hobby, come hot or cold, rain or shine, and that he is a tireless worker, clear-headed, broad-minded and far-sighted.

So much for the man; now for something of his story. He came to New Orleans in 1890, from Columbus, Mississippi, where he had been in the cotton trade, to establish the house of W. P. Brown & Co., of which he is senior member, and which has since done a business of the very first and largest order as cotton merchants and exporters. It is interesting to learn of him that in Columbus his early aspirations were military. At one time there he had in view a West Point career. There also he raised and commanded a company which went by his name.

Even there it appears he was a leader.

From the start in New Orleans he began to carve out success, and very soon attained the recognition his energy and abilities merited. His position in the market has been that of an original and consistent bull. Beginning in 1898 when cotton was selling at 4¾ cents a pound, he declared publicly that the staple was then too low for any profit to the planter; that it must inevitably rise in price; that consumption would soon outrun production; that the increasing gold output of the world meant a higher level of prices generally.

These and other cogent reasons were advanced and were acted upon by him. In 1900 he engineered a highly successful bull campaign, advancing prices in the New Orleans market to eleven cents, nearly. That same year, coming from Europe in the company of Leonard Lewinsohn, the Copper King, the late Phil Armour and others, he advanced the opinion that an unexampled prosperity awaited the South, and time has amply borne out that prediction.

Regarding the recent cotton corner, report was current that Mr. Brown and his associates took hold where the New York and New England bull clique left off. This, however, is an error. Mr. Brown has been bulling cotton steadily for several years. He started a vigorous campaign in the fall of 1902, and this was the inception of the movement which eventually culminated, in September, 1903, as the most successful corner in the history of the cotton trade. At the time the Northern syndicate were reported unloading on the Brown party, July options were selling in the New York future market at about 9¾ cents and in New Orleans at ten cents; whereas, it should have been the contrary, New York being normally about twenty-five points above New Orleans. The true bull movement, then, must have been the Crescent City's. And at all events, it is now agreed, Brown and associates it must have been who carried, not only the New Orleans, but the New York movement as well, to a prosperous finale, bidding fifteen cents for cotton in New Orleans and fourteen in New York, and finding "none for sale."

Mr. Brown, however, makes no great boast of the feat, saying of it, simply, that he and his associates had established new values for the staple;

that their work has been highly beneficial to the planter and the South generally; that as regards the mills higher prices for their goods mean larger margin of profits; that anyhow the rise in fabrics comes much of it out of the foreign consumer, and that already much gold has been drawn to this country from abroad to meet the advance in the staple.

The sinews for this great campaign, we may add, were provided in part by Messrs. Brown and associates (for he had already very large means acquired in the business) and were in part obtained in Europe. Speaking of which reminds us that our subject has also financial distinction. It was he who organized the Southern Trust and Banking Company, of New Orleans, with home capital and practically at a single meeting. Later that institution (the Southern Trust and Banking Company) bought the Union National Bank, of the same city, of which Mr. Brown was a director and the largest individual individual stockholder. Then the Southern Trust and Banking Company was merged with the Hibernia National Bank, of New Orleans, as the Hibernia Bank and Trust Company, a bank with deposits of more than $14,000,000 and resources of $17,000,000 and upwards—now larger than any two banks of the South—in which Mr. Brown is not only prominent as director, but is besides the largest individual stockholder.

ANDREW MORRISON.

NOTICES OF NEW BOOKS.

[All books mentioned in the following notices will be supplied at the publishers' lowest rates on application to THE BANKERS PUBLISHING CO., 87 Maiden Lane, New York.]

POOR'S MANUAL for 1903. New York: H. V. & H. W. Poor.

The thirty-sixth annual issue of Poor's Manual has been received, which contains the usual statistical summaries of the financial affairs and operations of the railroad systems of the country. As is well known, Poor's Manual is the accepted authority on all matters pertaining to the financial affairs of American railways, and the edition of 1903 is up to the usual high standard so long maintained.

PAINE'S BANKING LAWS; revised Fifth Edition; price $5. New York: The Lawyers' Co-operative Publishing Co.

The revised edition of this well known work contains a number of important additions, including the Negotiable Instruments Law, the recent changes in the National Banking Act, as well as amendments to the banking laws of the State of New York.

Mr. Paine was formerly Superintendent of the Banking Department of the State of New York, and was also a member of a commission appointed in 1880 to compile and revise the banking laws of the State. His labors in this capacity suggested the preparation of a volume on banking law.

Paine's Banking Laws contain the National Bank Act and cognate United States statutes, constitutional provisions, also numerous citations of cases and opinions interpreting the law. The banking laws of New York relating to all classes of banks, as well as trust companies, are also given, also the Stock Corporation Law, tax laws, etc. A historical sketch relating to banking is an interesting and valuable feature of the work.

As a book of reference Paine's Banking Laws will be found of great usefulness to those engaged in operating banks or trust companies.

THE GOLD RESERVE OF THE BANK OF ENGLAND.

[From the London Bankers' Magazine.]

Again, we have to report that another year has passed and no distinct steps have been taken to establish a stronger specie reserve fund for the country. We have again to repeat, and with sincere regret, what we have said on several occasions before. Thirteen years have now passed since, in the autumn of 1890, the Bank of England was compelled, owing to the risk of a crisis in the money market, to borrow some three millions sterling in gold from the Bank of France, and to collect gold from other quarters to strengthen its reserve. This is now matter of ancient history, and the story is treated as ancient history usually is—as something with which we need not concern ourselves in practical life. We are well aware that the subject is under the attention of some of our ablest business men, but united action appears beyond their power. It becomes continually more difficult to draw attention to anything which is not actually part of ordinary routine. Year by year the stress of daily occupation grows and intensifies, and there seems no opportunity for considering anything else. The rapidity with which even striking and important events are forgotten is wonderful. Every year a larger proportion of the men actively engaged in business can have no personal remembrance of what occurred so recently as the time of the Baring difficulties. But when any business man reflects on the past, he must be perfectly aware that, though the arrangement made in 1890 was successfully carried through then, it would have been impossible to repeat the operation in 1903, however needful it might have been to do so. We are apt to dwell with so much satisfaction on our financial standing, that we forget the great alterations which even the twenty-eight years over which this statement extends have witnessed. Our position, so far as it depends on the reserves held, is literally weaker now than it was then.

To bring this clearly before our readers, we repeat here a comparison, which we have carried on for a considerable period, of the position of the Bank of England and of the great banks of the world at the present time and in 1876. The year 1876 is taken as being that in which this statement of the position of the banks of the country was commenced, and from which date our examination can hence be carried on with greater accuracy.

The banking institutions of the other countries of the world stand now in a totally different position from that which they occupied twenty-seven years since. The position of the Bank of England was far stronger relatively then to that of the other great banks of Europe than it is now, while, owing to the development of banking in this country in the interval, and the totally different conditions of business, the demand likely to be made on it was far smaller than may be the case at the present time. Compared with twenty-eight years since, there is no doubt that the deposits of the banks of the United Kingdom have increased something like £340,000,000 or £350,000,000, if not more, within that time, and in these figures the deposits of the Colonial and Foreign Banks having offices in London are not included. These amounts must be very large.* In times of difficulty, these banks, as well as all the banks of the United Kingdom, would look to the Bank of England for assistance.

* See "Colonial and Foreign Banks in England and the Banking Reserve,"—"Bankers' Magazine," March, 1900.

The Bank of France, the Imperial Bank of Germany, and the National banks of the United States, now all possess far stronger specie reserves than they did twenty-eight years since, while the position of the Bank of England is practically weaker than it was then. A comparison between the reserves held in those four centres now and at that period shows this point very clearly. The figures are as follows:

Position of the Reserves of the Banks of England, France, Germany and of the New York Associated Banks about the Third Week in the Month of November, 1876 and 1903.

BANK OF ENGLAND.

Reserve of Notes and Coin.

1876	£19,200,000	1903	£22,000,000

BANK OF FRANCE.

Coin and Bullion.

1876	a£85,600,000	1903 (gold)	£96,000,000
		1903 (silver)	44,400,000
		Total	£140,400,000

IMPERIAL BANK OF GERMANY.

Coin and Bullion.

1876	£24,500,000	1903	b£47,000,000

NEW YORK ASSOCIATED BANKS.

Specie and Legal Tenders.

1876 (specie)	£3,600,000	1903 (specie)	£30,600,000
1876 (legal tenders	8,500,000	1903 (legal tenders)	12,500,000
Total	£12,100,000	Total	£43,100,000

a The specie held by the Bank of France was not separated in the published accounts available to us till 1877. The figures of the cash reserve, December 31, 1877, were: Gold, including French gold coin, ingots and foreign gold) £47,100,000; silver, £34,600,000; total, £81,700,000. Hence it is probable that the gold at the Bank of France in 1876 was about £49,000,000.

b The specie held by the Imperial Bank of Germany is not separated in the weekly statements, but it may be assumed, according to the proportions of the gold and silver held by it on December 31, 1902, that of the amount of £47,000,000 shown above, about £33,000,000 was in gold, that is to say, a considerably larger sum than the amount of the reserve or of the gold in the issue department held at the corresponding date at the Bank of England.

Compared with 1876, the specie in the reserve of the Bank of England is but little more now than it was then, while the position of all the other banks is in all cases much stronger. A diminution in the strength of the reserve of the Bank of England may now take place almost unobserved, owing to the increased proportion of the note issue allowed to be made against securities. The Bank Act of 1844 allows the issue against securities to be increased in proportion to the diminution in the English country note circulation. The amount of securities allowed in 1844 was £14,000,000. This had been increased in 1876 to £15,000,000, and it remained at the same point till after 1879. But since that date the decrease in the English country note issue has gone on so rapidly that an addition of £3,450,000 was made to the issue against securities between 1879 and 1903. Hence, we will now carry on this comparison from the year 1879. The securities in the issue department now stand at £18,450,000, and while the amount of the notes of the Bank of England, entered as issued at the date we are writing in 1903, was slightly less than it was in 1879, it has something like £4,000,000 less in specie behind it now than it had then.

The comparison is as follows:

Gold coin and bullion and silver coin held by Bank of England in both departments, July 2, 1879	£35,200,000
Do. do. November 25, 1903	31,900,000
Less in 1903	£3,300,000

The amount of gold coin and bullion in the issue department, and of notes issued in the returns for July 2, 1879, and November 25, 1903, compares thus:

The amount of gold held was:	
July 2, 1879	£34,022,675
November 25, 1903	29,802,265
November 25, 1903, smaller	£4,220,410
The notes issued were:	
July 2, 1879	£49,022,675
November 25, 1903	48,252,265
November 25, 1903, smaller	£770,410
Then deduct the smaller amount of notes issued	£770,410
From the smaller amount of gold held	4,220,410
The amount brought out	£3,450,000

explains the effect of the addition of £3,450,000 since 1879 to the securities held against the note issue.

The year 1879 is taken for the basis, as the one since which the additions to the securities in the issue department have increased most rapidly.

The reserve in notes of the Bank of England on July 2, 1879, was £19,485,810; on November 25, 1903, it was £20,050,100; more in 1893, £564,290; but when the matter is examined into, this is accompanied by a decrease in the specie of more than £4,220,000.

This question deserves the most grave consideration. There is, after all, only one way to form a large and sufficient specie reserve, and that is to build it up by slow and gradual accumulation. But the policy which has been followed in this country is the exact reverse of this. The reserve of the Bank was thus weaker in specie in 1903 than it had been twenty-four years previously by this large sum. While the large banks in other countries have considerably increased their reserves, with us there has been a decrease, as shown above, in the gold held against the note reserve, and also in the specie held, collectively, in both departments of the Bank.

It will be convenient to our readers to have before them the entire history of what has actually occurred, as this is often not remembered.

The effect of the Bank Act of 1844 has been that the issue of Bank of England notes against securities has, since 1844, been increased by £4,450,000.

The dates at which this increase took place and the amounts added are as follows:

Fixed Issue of the Bank of England.

Amount authorized by the act of 1844			£14,000,000
Add increase since in authorized amount:	1855, Dec. 7	£475,000	
" " " "	1861, July 10	175,000	
" " " "	1866, Feb. 21	350,000	
" " " "	1881, April 1	750,000	
" " " "	1887, Sept. 15	450,000	
" " " "	1889, Feb. 8	250,000	
" " " "	1894, Jan. 29	350,000	
" " " "	1900, Mar. 3	975,000	
" " " "	1902, Aug. 11	400,000	
" " " "	1903, Aug. 10	275,000	
			4,450,000
Total			£18,450,000

The figures given above show what has followed this increase of the securities in the issue department.

*THE PRACTICAL WORK OF A BANK.

THE COLLECTION DEPARTMENT.

II.

It has been estimated that more than nine-tenths of the enormous volume of mercantile transactions in the United States is settled by the use of credit instruments—commercial paper—the most of which pass through the collection department of the banks.

These departments therefore perform a most important function—that of actually effecting the exchanges of the country. It is a function as essential to the existence of modern commerce as is the continued use of commercial paper, which has been the greatest factor in its development to its present-day magnitude; and as its further development in the future will depend to a great extent upon their efficiency, it becomes the duty of the banks to give their collection departments their best attention and consideration.

First.—They should provide a good system for the work of the department. Collections should be handled promptly, with a minimum expenditure of time and labor, but at the same time proper safeguards against loss through carelessness or defalcation must be provided.

Second.—They should place in charge men of good executive ability, who are familiar with the nature of the various classes of commercial paper—with their differences and the varying responsibilities of their parties—and who know the laws governing their collection. And if it be a large bank, handling many collections, it should provide a force of competent assistants numerous enough to do the work of the department properly—numerous enough to attend to the work of the busiest day as carefully and readily as to that of the dullest.

City and Country Banks.

Each bank should examine into the merits of the different systems presented to its notice, when first organizing, and adopt that one which best answers its needs; and thereafter seek to improve upon it as occasion offers.

The small bank in the agricultural district must of necessity have a very different system from that of the large city bank. It can make the collection department in fact what its name implies it to be—that department which has full charge of the collection of the checks, drafts, notes, etc., which it receives from all sources. These can not be very numerous, and probably one clerk can give them all the attention they need and still have time for other duties. Only a few clerks are needed to do all of the work, and each of them can be kept under the constant and direct supervision of the bank's officers, so that no elaborate safeguard system against defalcation is necessary.

But in the large city bank the conditions are very different. Its thousands of depositors and correspondents pour into it collections on all parts of the world as well as on its own city, and it is usually found better to classify and distribute them to several different departments for attention, the classification and distribution

* A series of articles to be published in competition for prizes aggregating $1,050, offered by The Bankers' Magazine. Publication of these articles was begun in the July, 1901, number, page 18.

depending upon the bank's individual arrangement of its office detail. It is an econmic maxim that division of labor and specialization of work secure the best results, and this is well shown in the case of the handling of collections in a large bank.

Such a plan is followed in a bank in a city not a thousand miles from Chicago, and the system used has met every requirement so well that it merits description.

Description of the Collection Department of a Modern Bank.

The collection department proper is called the correspondence department, as it has charge of all the mail, incoming and outgoing. In this department, in the morning until all the mails have been received and entered, is kept what is called the daily collection book, in which each letter received with enclosures (with the exception of "returns" letters) is entered by its date, the name and address of its sender and the amount of its enclosures. With their enclosures, the credit remittance letters are then passed to the mail teller department; the letters enclosing time collections and foreign collections are given to the note and collection clerk, and the exchange teller is handed the letters bringing sight items for which remittance of proceeds must be made. Each of these must receipt for the letters, sometime during the day, by writing in the book mentioned, opposite the entry of each letter, the disposition made of its contents.

The daily collection book is ruled with colums for the bookkeepers' use, and into the column assigned to that bookkeeper who has the account on his books, the mail teller extends the amount, already entered by the correspondence department, of each credit remittance. The various extensions are then footed by a clerk from the auditing department, and the total is the amount of the mail deposits, upon which the mail teller and the bookkeepers must agree. After the extensions have been made and footed the book is given to the bookkeepers, and from it they make their cash-book entries.

The mail teller checks off the enclosures of the letters he has received and enters their amounts in his ticklers; he then passes the clearing-house checks to the receiving teller's department, to be added to the similar checks deposited by the bank's city customers, and cleared; the local drafts he charges to the exchange teller; and the foreign items are entered in ordinary form exchange registers and given back to the correspondence department to be forwarded. He also receives the enclosures of all of the "returns" letters, which he handles in the same manner; and all the foreign cash items deposited by the city customers are passed to him by the receiving teller's department, to be registered and passed along to the correspondence department.

The note and collection clerk matures the time items, and files those on the city for their due dates; and the foreign collections he enters in ordinary form collection registers, and passes back to the correspondence department, to be sent to the cities where they are payable. He also receives and registers collections deposited by the city customers, and handles them in like manner.

The exchange teller accounts to the correspondence department for the items given him by handing it the bank's own drafts for remittance of proceeds of the items he has succeeded in collecting, and by returning to it those that are unpaid. The exchange teller might also well be called the city collector, for he ultimately receives for actual collection, from the various departments of the bank, all city items other than clearing-house matter. The note and collection clerk gives him his city paper as it matures, and the receiving teller sends him all the local drafts which are deposited at his window. He has charge of the bank's messengers in so far as their duties relate to the making presentment and collection of drafts, notes, etc.

Under this arrangement is provided one of the best safeguards against loss through defalcation or carelessness that has been devised—the work of each clerk and depart-

ment is inspected by another clerk or department, so that one acts as a check on the other and any error, accidental or intentional, is most probably detected. This safeguard has been adopted in some form by the large majority of well-managed banks, and has undoubtedly been very effective. And to each department is alloted that part of the work which it is best able to perform, so that it is all executed quickly, safely and without confusion.

A few words more about this same bank to explain how it handles its foreign collections.

All items, both cash and collection, on points outside of the city are forwarded through the correspondence department, and each item is sent direct to the place of payment, as the bank is a strong advocate of direct correspondence. It has three or four correspondents to each of which several hundred cash items are sent daily, and whose accounts are charged with the totals of such items on the date they are sent. The other cash items are debited to the sight bills of exchange account.

Three different letter forms are used—one for collections, the other two for cash items, one of the latter being intended for the three or four correspondents above alluded to, the other for the items which are charged to the sight bills of exchange account. The first two forms mentioned are very similar to those in use by most banks, but the third is novel in some of its features, and a full description of it may be of interest.

At the time the form was adopted the bank was sending out a daily average of nearly six hundred collection letters; much trouble had been experienced in reconciling the sight bills of exchange account; and the form was gotten up primarily for the purpose of overcoming this difficulty. It has been in use over two years and has proven a complete success—not only has the account been reconciled daily to the cent from the first, but the form has also saved labor and expense.

The old method used was one that probably many banks still employ. It consisted in entering in the exchange registers previously referred to, opposite each item, the date of receipt of returns for it. After all the returns had been entered, the total of the items left in the registers without date entries should have given the total of the unpaid sight bills of exchange, but as a rule they did not—a date had been entered opposite the wrong item, or a correspondent had made a short remittance and it had not been noticed, or something else had or had not been done to throw the reconcilement out. Checking back the work was a long and wearisome task, and it was not always successful in locating the error.

PLEASE RETURN THIS SHEET WITH REMITTANCE—KEEP THE OTHER. No. 101 A

......................190....

To DOE NATIONAL BANK, ROETOWN, U. S. A.

From..

....

Enclosed find our No..........................*on*....................$

Charges,

To cover your items below: $

YOUR NO.		$		

FIG. 1.

The new form involved a complete change in method: the letter is no longer written with pen and ink, and copied in an impression book; there is no making of date entries in the registers; and the "returns" letters are not filed alphabetically according to the addresses of the remitting banks, as before. Instead, an indelible pencil is used to write the letter, and with the aid of carbon paper to make at the same time a copy of it for the office records; the registers are used merely to record description of the items, and the "returns" letters are filed numerically. The letters are numbered consecutively from 1 to 15,000, in series designated by letters of the alphabet, say 1 A to 15,000 A, 1 B to 15,000 B, etc., and their copies are given duplicate numbers. This consecutive numbering is a very important feature of the form, as will appear.

The form is really an adaptation of the manifold copy-book principle, three copies being made simultaneously by the use of a pencil and a single sheet of carbon paper. Each letter consists of three sheets (Figs. 1, 2 and 3), placed one below the other, the middle sheet (Fig. 2) being of paraffine paper.

DOE NATIONAL BANK,
ROETOWN, U. S. A.

Enclosed please find for collection and returns items as listed opposite.

For your remittance letter please use the accompanying sheet instead of your own blank form. It is printed in copying ink and is written with an indelible pencil, so that a clear copy of every word can be secured in any ordinary impression book. This we ask because our "cash" letters are numbered consecutively and the success of the system under which we are handling our sight bills of exchange depends upon the return to us of every one of these sheets.

Please make a separate remittance for this letter—do not combine with any other.

Your compliance with the above, and with the instructions printed below will be much appreciated by

Yours, very truly,
JOHN JONES, *Cashier.*

☞ Protest promptly in all cases for non-acceptance or non-payment, unless otherwise instructed.

Do not hold for convenience of parties, but return at once if not paid.

Please make returns only when paid.

DUPLICATE. No. 101 A

....

....................*190*....

To DOE NATIONAL BANK,
ROETOWN, U. S. A.

From.......................................

....

Enclosed find our No................*on*..........$

Charges.

To cover your items below: $

Please keep this sheet for your own use, but return the other with remittance.

FIG. 2.

The carbon paper, which is carbonized on both sides, is placed between the second and third sheets from the top (Figs. 2 and 3), and makes two clear copies, one on the sheet under it and the other on the back of the paraffine sheet above it.

The two top sheets are mailed with the item or items which they list to the collecting bank, and the bottom sheet, designated the office copy, is retained. The

OFFICE COPY. No. 101 A

....

....190....

To DOE NATIONAL BANK, ROETOWN, U. S. A.

From..

....

Enclosed find our No.........................*on*...................$

Charges.

To cover your items below: $

FIG. 3.

object of sending two numbered sheets to the correspondent is to obtain the sure return of one of them with the remittance, so that the corresponding office copy may be readily located by its number. Upon this depends the success of the system.

By reference to the illustrations, it will be noticed that the top sheet (Fig. 1) is worded so that it can be used by the collecting bank instead of its own remittance form, and the bank is requested to do so. It is printed in copying ink, and an indelible pencil is used in writing it, so that the correspondent bank can copy it in an ordinary impression book, if a copy be desired. The dotted line shown in illustration of the paraffine sheet (Fig. 2) is a perforation, the object of which is to make easier the folding of the letter for the envelope. The letters are blocked, on the right edge, into pads of fifty (fifty sets, one hundred and fifty sheets).

All the office copies are arranged numerically and placed in a file (a portable box), and are kept in the correspondence department until returns for them are received. When the top sheets are received back with remittances, they are immediately passed to the mail tellers department, when the enclosures are checked out. They are then returned to the correspondence department, are there arranged numerically, for the sake of convenience, and the corresponding office copies are removed from file. When this is done, there are two lots of letters, one being an exact duplicate of the other. The top sheets are again given to the mail teller department, where their total is found, which is the amount of the day's paid sight bills of exchange. In the meantime, the correspondence department is finding the total of the lot of office copies, and these two totals must agree. The footing is done on adding machines, and if there be any discrepancy, it is easily located by comparing the machine slips.

If any remittance should be short, or if a letter contained several items and one or more should not be remitted for, the amount unpaid is carried on a suspended list until it is paid. The total of the suspended list and the office copies remaining in the file is the amount of the outstanding sight bills of exchange, and should agree with the balance of that account as shown on the general ledger of the bank.

Any error made when writing a letter in the listing of an item is discovered promptly, for each day's office copies are proved the next morning by finding the total of their amounts and comparing it with the amount charged to the sight bills of exchange account. If they be not the same, the mistake is found easily by checking back with the exchange registers. In such case, the office copy is corrected and marked, and a special examination is made of the remittance sheet when received back, to ascertain if the item has been properly remitted for.

As before remarked, the system has been very satisfactory in the results accomplished and the ease of its working.

LAWS GOVERNING THE COLLECTION OF COMMERCIAL PAPER.

And now to touch very briefly upon the laws governing the collection of commercial paper, knowledge of which is needed to insure its proper handling. Checks, bills of exchange and promissory notes form the bulk of the matter which the collection department is called upon to handle, but certificates of deposits and of stock, corporate bonds, coupons. vouchers issued by railroad and other companies, warehouse receipts, bills of lading, letters of credit, etc., are all much in evidence in the mercantile world, and will surely find their way into the department, so that the peculiarities of each should be understood.

These peculiarities have been the cause of much litigation and legislation, and unfortunately the statute laws of the different States do not agree, and the decisions of the courts are very conflicting—practically unanimous upon general principles, they manage diametrically to disagree in their interpretation and application of apparently very simple rules. It therefore becomes necessary for the bank to follow closely its own statute law and the precedents established by its own tribunals.

Every bank, however small it may be, should have a select library of reference books for the use of its officers and clerks, including at least the statutes of its State and several good text-books on commercial paper and general banking law; and it should also subscribe to several of the leading financial publications. These latter publish promptly leading decisions in all parts of the country, and furnish most valuable reading, for they show the trend of judicial opinion and frequently offer guidance to the bank in cases which have not been passed upon by its own courts.

The courts are agreed that negotiable paper must be handled with due diligence and care, that special instructions accompanying collections must be obeyed, that money only can be accepted in payment, etc.

Due diligence requires that all paper be handled with dispatch; if payable on demand, it must be presented or forwarded before the expiration of the day after its receipt; if payable at a fixed subsequent date, it must be presented on that date; if payable so many days after sight or demand, it must be presented without unreasonable delay for acceptance, to fix the time of payment; if dishonored, the paper must be protested, unless instructions are to the contrary, and notice thereof must be given immediately to the parties who are to be held liable—if they are not so notified, they are released; if returns for foreign items are not received in due time, the various parties must likewise be notified to that effect, else recourse on them is lost.

Due care must be exercised in the selection of reliable agents for the collection of foreign items. It is held in this country that an item should not be sent to the drawee bank, as it is not considered a suitable agent for the collection of paper on itself; and if so sent and loss occur, the sending bank is held liable. The courts fail to suggest any other way to make collection of the paper when there is but one bank in the place. The express companies will not handle protest matter, and other banks and the express companies are really the only collecting media at a bank's disposal. In view of this ruling, the bank should protect itself by obtaining the consent of its customers so to forward paper whenever necessary to effect its collection.

As to the right of the bank to transmit foreign paper otherwise than direct to the place of payment, the weight of opinion seems to be that it has not such right, unless it have the permission thereto of the party whom it would desire to hold liable in event of its dishonor. The reason assigned is that commercial paper, checks in particular, is not intended for indefinite circulation as so much money, but that the parties to it have the right to require that its collection be made in the quickest way

possible, and that they be advised within a reasonable time of any default on the part of those expected to honor it; and the bank is usually held to be negligent if it does not collect in that manner, *i. e.*, if it does not send direct to the place of payment. Nevertheless, many banks, possibly a majority of the banks in the country, use the indirect or central point system of correspondence, doubtless believing that the risk they assume by so doing is more than counterbalanced by their saving in expense and the possible increase of business derived through the opening of reciprocal accounts. By availing themselves of the par lists of the banks at central points, they do undeniably effect collection of their paper at less cost for exchange, and they may secure a few new accounts. But the latter usually prove reciprocal in fact as well as in name, and the bank finds that it gives as much as it receives, if not more, so that such accounts are really not of great value. The ordinary arrangement is that the collecting bank credits the foreign item immediately upon its receipt, reserving the right to charge it back and return it subsequently if it be not paid, so that the sending bank really never knows how much of its foreign paper is outstanding. This alone constitutes a very serious objection to the central point system-serious enough to make the conservative bank willing to stand the greater cost of collecting its paper by the direct system of correspondence, for under the latter the bank knows to a penny the amount of its unpaid collections. And actual experience has shown that the direct system offers a remarkably effective advertising medium. A large bank receives from its customers items on nearly every city and town of importance in the country, so that, if it use the direct system, it has occasion to correspond with several thousand different banks, to whom its collection letters soon make it well known, thus often leading to the establishment of intimate and profitable relations.

Upon the point of obedience to instructions, it may be said that there is no dissenting opinion. The courts hold that a bank can not be forced to undertake collection of an item, if it does not desire to do so; but if it does accept the task, it must comply strictly with the accompanying instructions. Not only must it itself obey the instructions it receives, but in the case of foreign items it must transmit the instructions correctly and endeavor to the extent of its power to secure obedience thereto.

Non-obedience to positive instructions is quite common, so common indeed that it seems that many banks do not realize their liability in the matter. Especially are the instructions "not to hold collections for the convenience of parties, but to protest and return immediately if not paid" frequently disregarded. This is largely due, it must be admitted, to the sending banks themselves, for in the most cases no losses ensue in consequence of the negligence, and therefore no complaints are made, and so an unfortunate precedent in each instance is established. The delinquent correspondent's attention should be called to the matter on each occasion, and if it persist in its disregard of instructions, another agent should be chosen, or, if that be impossible, the point should be black listed—the bank's own safety demands this, for it is required, as before mentioned, to select collection agents who are, to the best of its knowledge, in every way reliable.

Unless by special agreement, the bank has no right to accept in payment of negotiable paper anything but good money, as one of the essential elements of negotiability is that the instrument call for the payment of money. The paper is therefore taken by the various parties to it in the expectation that money will be demanded and received before it is delivered to the obligee, and if the bank accept his check in lieu of money, at his request or to suit its own convenience, it does so at its own peril.

These are only a few of many points of commercial paper and the laws govern, ing its handling which should be given careful study by every bank, and they are very inadequately treated of, but space will not permit further discussion of the subject.

Happily, the importance of uniformity in banking law is being more and more recognized, as is shown by the adoption of the Negotiable Instruments Law in a number of States, while its adoption in many others is being strongly agitated, with flattering prospects of success. This is a great step in the right direction, for it settles many heretofore-disputed points. And it is not too much to hope that, before many years have passed, the United States will have a comprehensive code of banking law which will do away with the confusion which is so apparent to-day.

BANKSCHREIBER.

THE LAW FOR ESTABLISHING NATIONAL DEPOSITARIES.

A BRIEF HISTORY OF THE ACT.

The outbreak of the Civil War was the beginning of a creative period in the financial history of this nation. Secretary Chase, distinguished as well in finance as in jurisprudence, proclaimed in that exigency, with profound wisdom, that it was necessary for this nation to "create a currency." Congress responded with alacrity to his recommendations. A national currency was created by the issue of United States notes, called lawful money. For those who in memory or imagination revert to that period in our history, it is difficult to comprehend the obstacles in the way of successfully conducting the affairs of the nation. The only way to do it is to endeavor to view the situation as those viewed it who triumphed over the obstacles, hanging the impenetrable veil of futurity before all events which have since occurred.

The reason why it was necessary at that time to create a national currency was that the nation was necessitated to make payments upon such a stupendous scale that all the money in the nation, that is, gold and silver, and all the bank notes and conventional substitutes for money in the nation, when added together, made an insignificant amount, utterly inadequate for the stupendous payments, which could not, by any human possibility, be made, without the creation of a new and national, a uniform and abundant currency. United States notes could not, according to sound finance, be issued in adequate amount for the purpose. Accordingly, the system of National banks was devised, with delegated authority to issue circulating notes, which supplemented the volume of lawful money.

The National Bank Act of 1864 was originally a bill reported by Mr. Hooper from the Committee of Ways and Means March 14, 1864, which became H. R. 333. Among the amendments to this bill were two in the provision relating to designated depositaries, which was in section 45 of the bill. An amendment to strike out this provision, so as "to take from the Secretary of the Treasury the power of making these institutions the depositaries of the public money," was rejected. This provision was amended by striking out "may" and inserting "shall," so as to read "the Secretary of the Treasury shall require * * * satisfactory security," instead of "leaving it discretionary with him." The explanation given by Mr. Hooper for qualifying United States bonds as registered in the bill, was that it was "for the security of the bonds, they not being transferable from hand to hand by delivery. The coupon bonds, if they be stolen from the Department, pass from hand to hand and are good in the possession of any person who happens to hold them." Mr. Hooper moved to amend the bill by inserting in section 45 the words "and otherwise" so as to read "satisfactory security by the deposit of United States bonds and otherwise for the safe keeping, etc." Mr. Holman, remarking that the proposal is to insert "the words 'or otherwise' after the word 'bonds,' that is to say, the security shall either be bonds of the Government, or such other security as the Secretary of the Treasury may require," asked, "What other security does the gentleman from Massachusetts refer to?" Mr. Hooper replied, "By the present arrangement or rules of the Department, the Secretary requires a personal bond in addition to the deposit of United States stock, and it was to cover that point that I offered

the amendment." Mr. Stevens said: The words are "and otherwise" not "or otherwise." Without more discussion the amendment was agreed to. (C. G. Pt. II, 38th Cong. 1st sess. p. 1401.) This bill was defeated April 6, 1864. Subsequently, April 11, 1864, Mr. Hooper introduced another bill which became H. R. 395. He said it was the same as the former bill as amended. It was not debated nor was it amended as to the provision relating to designated depositaries. It passed the House April 20, 1864. In the Senate, the only reference to the provision relating to designated depositaries (except in the rejection of an amendment to strike out section 45, which was favored on the ground that the section was destructive of the independent-Treasury system), was the adoption of an amendment by adding the proviso at the end of the section. The *conferees* of the House concurred in this amendment, and the bill, H. R. 395, as reported from the conference committee, became the National Bank Act of 1864.

Mr. Hooper had charge of the bill and any reply he may have made to a criticism of an opponent of the whole measure, by way of smoothing the passage of the bill, was a part of parliamentary tactics. His utterances were interested in the performance of a public service. He is not to be judged by the moral law. His act in moving the amendment outweighed his frivolous explanation. The amendment had much more importance than any mere bond of a personal depositary. The practice of the department existing before the act of 1864 related not to National banks employed as depositaries under the imperfect banking act of 1863, but to individual depositaries, in requiring of them a personal bond. How could a National bank, designated as a depositary, being a corporation, give a personal bond? The purpose of the amendment was to do what was in fact forthwith done, and that is to accept either United States bonds or other satisfactory security, if the depositary chose to offer it instead of United States bonds. The law don't say "in addition to;" it was only Hooper who said it, to silence Holman. It is quibbling to talk about the difference between *and* and *or*. In effect Mr. Holman's criticism was, the amendment says *and* but it means *or*. What is the other security which the mover has in mind? Mr. Hooper's answer in effect was, it is the practice to require a personal bond and I was thinking of it in moving the amendment. Mr. Holman understood the amendment according to its true meaning and intent. It would be humiliating to national pride to think that Congress would pass a law that United States bonds are not good enough without a personal bond to secure them.

A discussion in the passage of a bill is neither decisive nor of any weight more than belongs to enlightened opinion, in determining the meaning of a law, which is obviously not passed by those who debated it, nor even by either house alone, but only by the Congress, with or without the approval of the President. If the rule of construction were otherwise, it might happen that the true meaning must be set aside, and the erroneous meaning adopted merely because it is in accord with what those said who happened to speak upon the bill in the course of its passage.

The provision for national depositaries is supplementary to the independent Treasury system, which is preserved by law. The depositaries are designated among the National banks, which are under the supervision and control of the Treasury Department.

FRANCIS C. NYE.

NEW CAPITAL APPLICATIONS IN GREAT BRITAIN.—The total of new loans offered for subscription in 1903, as reported by "The Economist" (London), are the smallest for any year since 1894, notwithstanding the aggregate for 1903 includes the Transvaal loan. The total new capital applications for the years named were as follows: 1899, £133,169,000; 1900, £165,499,000; 1901, £159,358,000; 1902, £153,812,000; 1903, £108,463,000.

QUARTERLY REVIEW OF CANADIAN BANKING, COMMERCE AND MANUFACTURES.

A REMARKABLE EXPANSION OF COMMERCE AND INDUSTRY.

The progress of Canadian trade and commerce during 1903 was most satisfactory, and the new year opens upon a hopeful prospect. Some remarkable developments have occurred in the commercial world during the twelve months, and the Dominion has not been free from the influences exerted by these movements. The country is in an excellent position, and at present there are many signs of continued prosperity and growth.

One of the year's favorable features has been the growth in population. In a sparsely-settled country, such as Canada, the addition of 100,000 to the number of inhabitants is an important consideration. The influx has been directed chiefly to the districts west of Lake Superior, although Ontario has absorbed a portion of it. It has been responsible for a more extensive cultivation of the land, and, incidentally, a greater demand for all classes of general merchandise. It is to this fact that the continued activity of trade in Western Canada is primarily due. The increase of population has involved a wide area of settlement, and new towns and villages have sprung up in all portions of that great country.

The improvement in trade conditions is reflected in a number of ways. The returns of foreign trade and of customs collections for the year constitute an accurate barometer of the prevailing state of affairs. The aggregate exports and imports for 1903 have been nearly $500,000,000, showing an increase of many millions over the previous year. The increase in customs revenue has been about $5,000,000, as compared with last year. Domestic trade shows an even greater increase, judging from the returns of the traffic on the principal railways. Increases in earnings have been reported for practically every week of the year, as compared with the same week in 1902. The comparison is the more important when it is realized that the preceding year established a number of commercial records, and that a very high standard was then set. To have surpassed these records is an achievement of which the country may well be proud, and it serves to show that the commercial development of the country has received a great stimulus.

The returns of trade failures or commercial defaults have been most satisfactory.

Public Revenues and Expenditures.

The financial statement of the Dominion shows that the first half of the current fiscal year closed with a surplus of $14,222,267 over ordinary revenue, and more than $10,000,000 over all expenditures combined. The revenue for the six months ending December 31, exceeded that for the same period of the previous year by

	1902.	*1903.*
Customs	$18,018,520	$20,698,489
Excise	6,127,616	6,764,495
Post office	1,905,000	2,140,000
Public works	3,732,776	3,710,502
Miscellaneous	1,478,949	1,622,974
Total	$31,262,862	$34,936,462

$3,673,600. The total ordinary revenue was $34,936,462, and the ordinary expenditure $20,714,195. For the same period of last year the ordinary revenue was $31,-262,862, and the ordinary expenditure $19,549,688. The capital expenditure for the last six months was $3,843,934, as against $4,123,975 last year.

A comparative statement is shown on the preceding page.

Canadian Trade.

Canada's foreign trade for the six month sending December 31 amounted to $257,960,918, as against $239,023,476 for the same period of 1902, an increase of nearly $10,000,000. This statement includes imports for consumption, exports of domestic and foreign products, and coin and bullion. The total exports, domestic and foreign, are about the same as for the year previous.

Domestic exports show a decrease of about $2,000,000, but there is an increase of about $2,000,000 in exports of the mine. Fishery exports are less by some $800,000, and products of the forest by $1,500,000. Exports of manufactures are better by about $500,000. There is a decrease of about $1,000,000 in the exports of cattle, and $3,000,000 in wheat. As regards the two last-mentioned items, it is believed to be due to the fact that the farmers are holding their wheat and cattle for a rise in prices which in these prosperous times they can well afford to do.

The following is a comparative statement of the imports for consumption and domestic export only:

Imports Six Months.	1902.	1903.
Dutiable goods	$64,582,101	$74,389,955
Free goods	38,619,513	47,142,053
Total	$103,201,614	$121,532,008
Duty collected	17,814,116	20,472,143
Domestic Exports Six Months.		
Products, mine	$18,418,617	$20,525,150
Products, fisheries	6,889,775	6,007,290
Products, forest	23,607,946	22,008,379
Animals and produce	45,178,795	42,496,368
Agriculture	21,516,806	21,842,592
Manufactures	9,634,070	10,068,305
Miscellaneous	55,457	15,870
Total	$125,301,466	$122,983,954

Trade Between Canada and the United States.

Commerce between Canada and the United States shows a rapid gain in the figures of the past year and in those of the decennial period which ends with the present year. The year's commerce with Canada, as shown by the figures of the United States Department of Commerce and Labor, through the Bureau of Statistics, will aggregate nearly $200,000,000, as against less than $100,000,000 in 1893. The increase occurs both in imports into the United States from Canada, and exports from the United States to Canada, which in 1893 amounted to only $34,000,000, will in the present year reach about $55,000,000. United States exports to Canada, which in 1893 were $57,000,000, will in 1903 aggregate about $130,000,000. The total commerce of the United States with Canada has thus grown from $91,000,000 in 1893 to approximately $185,000,000 in 1903. The total commerce of the United States in the calendar year 1903 was $1,652,000,000. Thus the total commerce of the States from 1893 to 1903 has increased about fifty per cent. while its commerce with Canada has more than doubled. The table which follows shows the total value of the imports into the United States from Canada and the exports of the United States to Canada in each calendar year from 1893 to 1903, the month of December, 1903, being estimated:

Year ending December 31.	*Imports from Canada.*	*Exports to Canada.*
1893	$34,492,382	$57,121,178
1894	32,146,069	51,294,199
1895	40,748,940	58,796,009
1896	37,355,905	62,335,303
1897	38,899,873	72,627,690
1898	30,500,693	90,388,065
1899	35,395,448	86,336,310
1900	40,441,820	102,896,697
1901	45,326,184	107,492,743
1902	52,524,173	111,153,085
1903*	55,000,000	131,000,000

* Month of December, 1903, estimated.

Rail and Water Transportation.

The transportation business in Canada is in an excellent condition, Canadian railways continuing to report gross earnings which compare favorably with former exhibits.

The earnings of the two great railroads of Canada, the Canadian Pacific Railway and the Grand Trunk Railway, for 1903 ran $6,229,000 and $4,480,000 respectively ahead of those for 1902. The total earnings of the Intercolonial Railway for the six months ending December 31 amounted to $3,388,219, an increase of $105,294 over the same period of the previous year.

There has been an immense increase in the inland navigation traffic this year, as compared with other years. In 1902, 3,365 vessels passed through the Lachine Canal westbound, while this year there were 5,039, being an increase of 1,374 vessels.

The registered tonnage passing through the Lachine Canal only amounted in 1902 to 182,982 tons, while this year it reached 419,781 tons, an increase of 236,749 tons.

Freight carried through the Lachine Canal in 1902 only amounted to 436,656 tons, while this year there passed through 674,503 tons, an increase of 237,847 tons.

Grain passing through the Lachine Canal in 1902 only amounted to 16,295,602 bushels. This year the receipts were 22,483,438 bushels, an increase of 6,187,836 bushels.

Lumber in 1902 passing through the Lachine Canal only totalled 144,896,237 feet, while this year there passed through 172,485,018, an increase of 27,588,781 feet. In 1902 the miscellaneous products reached 14,077 tons. This year they totalled 22,042 tons, an increase of 7,965 tons. The amount of money collected in the canal office this year for rentals, wharf dues, etc., amounted to $41,434.12. The amount of money earned, but not collected, on account of the canals being free, was $114,-757.64, which would have made a total of $156,009.76. In 1902 there was collected $97,244.79, making a difference of $58,764.97.

The freight carried by the Canadian "Soo" for the year just closed was 773,834 tons in excess of that for 1902.

Arrangements have been made with Messrs. Allan & Co. for an improved Atlantic mail service. The Allans agree to maintain a regular weekly service between Canada and Great Britain from the opening of navigation next spring until August 1, 1906. They have under construction two turbine steamers of seventeen knots guaranteed speed, which are to be added to their existing fleet. The contractors will receive £2,000 for each voyage between Liverpool and Quebec or between Liverpool and St. John run by each seventeen-knot steamer, £1,000 for each similar round voyage run by the Bavarian or Tunisian and £500 for each round voyage by the Ionian, Sicilian or Pretorian between Liverpool and Quebec, and £750 for an all-round voyage by the latter vessel between Liverpool and St. John.

Agricultural Development.

Progress is still shown in the agricultural sections of the Dominion.

The Department of Agriculture, of Manitoba, has issued a most interesting estimate of the past year's grain crop in the province. The total production in bushels was as follows: Wheat, 40,116,878; oats, 38,035,774; barley, 8,707,252; flax, 564,440; rye, 49,900; peas, 34,154.

There has been a big increase in dairy exports the past season. Statistics of the dairy shipment from the port of Montreal show that the exports from the port during the season of navigation represent a return to Canadian dairymen of $26,369,000, and if this is added to the stock still carried in store in Montreal, both of butter and cheese, the export business in these products during 1903 approaches close to $30,000,000. This is an average increase of over $2,000,000 per year during the last half decade, and illustrates the great importance of this great industry to the agricultural community of central Canada.

The cheese branch of the industry for the season of 1903 has been highly successful. Compared with the exports of 1902, during the season of navigation, there has been an increase in quantity of over thirteen and one-half per cent., while compared with five years ago the gain is over twenty-six per cent., and during the full decade over forty-two per cent. A favorable accompaniment of this satisfactory gain is the fact that it has been accomplished without any serious sacrifice in the shape of decreased price. The past year values averaged fifty cents per box higher, over $21,500,000 worth of cheese being exported between the opening and closing of navigation on the St. Lawrence, compared with $17,900,000 odd in 1902.

The export business in Canadian butter during the past season has been disappointing, as Canada failed to maintain its portion in the volume of imports into Britain. The shrinkage in the Canadian farmers' revenue from butter exports has been sixty five per cent., or $3,132,000 odd. The total shipments were 33,827 boxes, worth $4,803,535, compared with 339,845 boxes, worth $7,236,121 last season.

The exports of bacon, hams, eggs and poultry in Canada the past year amounted to $16,000,000. The exports of grain of all kinds, $28,000,000. The exports of flour and meal, $7,500,000 and the exports of livestock, $12,500,000.

Banks and Banking.

The past year has been one of rapid expansion in the banking business in Canada, and was without exception the most prosperous year the banks have ever had.

There have been great changes in the banking position generally during the past year, and especially in the remarkable increase of discounts. The increase amounts to no less than $65,000,000, which is an unprecedented sum.

The assets of all banks have increased to $660,000,000 at the end of 1903, a gain of $35,000,000 over the figures reported at the close of 1902. The most noticeable change in the business done during the past year was the largely increased amount that the banks of the Dominion have placed out on commercial loans. From $324,000,000 at the end of 1902, these loans increased to $382,000,000, making an increase of $58,000,000 for the past year, which means an increase of nearly $5,000,000 a month. Then, again, the bank-note circulation has reached a new high level at $70,480,000.

The net earnings of the banks in many cases on increased capital show substantial gains, and enabled a number of the banks to increase dividend disbursements, make handsome additions to cash reserves, write off bank premises, provide for doubtful debts, make liberal contributions to officers, pension funds, etc.

There were no failures among the chartered banks of Canada in 1903. Only two of the banks paid no dividends, being those that were started during the year. Over

one hundred and fifty new offices of Canadian banks have been created during the year. This brings the total of bank establishments to about 1,020, as compared with about 700 in 1900.

The figures of the Monthly Government Statements of the Canadian Chartered Banks not only reflect the trade expansion of the Dominion, but show the increase in the banking business of the country.

Below, in a condensed form, are the statements of Canadian banks for September, October and November, 1903:

LIABILITIES.	*September, 1903.*	*October, 1903.*	*November, 1903.*
Capital authorized	$97,046,666	$97,046,666	$97,046,666
Capital paid-up	78,057,190	78,286,682	78,398,733
Reserve funds	48,897,498	49,989,361	50,374,087
Notes in circulation	$63,741,270	$70,480,611	$67,425,586
Dominion and provincial Government deposits	$7,886,296	$6,996,436	$4,984,636
Public deposits on demand in Canada	116,701,497	118,070,088	120,098,903
Public deposits at notice	275,081,027	275,989,608	278,580,529
Deposits outside of Canada	35,391,668	29,101,829	32,040,968
Bank loans or deposits from other banks, secured	515,428	573,006	765,878
Due to other banks in Canada	4,553,233	5,061,977	4,559,940
Due to other banks in Great Britain	3,868,586	3,334,191	2,644,917
Due to other banks in foreign countries	1,423,818	2,080,296	1,816,455
Other liabilities	10,732,913	9,102,714	10,147,883
Total liabilities	$518,890,806	$520,740,825	$523,015,760
ASSETS.			
Specie	$14,717,111	$14,219,299	$15,447,095
Dominion notes	30,830,480	29,980,289	30,464,185
Deposits to secure note circulation	3,130,844	3,130,844	3,130,844
Notes and checks on other banks	18,069,250	19,162,359	21,675,636
Loans to other banks, secured	515,428	573,006	765,877
Deposits with other banks in Canada	5,727,632	6,548,608	6,064,417
Due from banks in Great Britain	5,986,832	11,354,474	14,017,106
Due from other banks in foreign countries	18,240,336	13,489,646	11,225,292
Dominion or provincial Government debentures or stock	11,142,682	11,135,706	10,660,750
Other securities	52,562,189	52,827,444	53,267,854
Call loans on bonds and stocks in Canada	41,650,056	40,728,820	39,109,610
Call loans elsewhere	36,538,040	30,585,526	33,221,069
Current loans in Canada	373,633,072	380,823,162	380,688,701
Current loans elsewhere	24,118,210	23,939,637	21,208,965
Loans to Dominion and Provincial Governments	1,471,990	1,965,964	2,144,135
Overdue debts	2,042,238	2,140,013	1,983,619
Real estate	787,154	775,645	747,402
Mortgages on real estate sold	717,954	716,339	724,143
Bank premises	8,625,443	8,748,055	8,895,399
Other assets	6,747,406	7,669,665	6,834,900
Total assets	$656,704,532	$660,520,201	$662,277,180
Average amount of specie held during the month	$14,449,361	$14,541,628	$14,497,995
Average Dominion notes held during the month	29,264,103	29,803,311	29,242,649
Greatest amount notes in circulation during month	65,089,739	71,339,031	71,250,776
Loans to directors or their firms	11,578,494	11,347,489	11,316,467

The most striking items in the statement for October are the discount and note circulation figures, which establish new high records. The circulation for October reached the sum of $70,480,611, an increase of $6,749,341 over September, and comparing with $65,928,973 in October, 1902, was quite the highest total ever reached by the Canadian chartered institutions. The greatest amount of notes outstanding during October was $71,339,031. There was also a contraction of $921,736 in the call loan account in Canada, and $5,942,514 elsewhere during October, while current loans in Canada increased by $7,190,090, making the total discounts $380,823,162, or about $66,000,000 in excess of the same month for 1902. Call loans for October, 1903, are $10,000,000 below the total for October, 1902, while the same account elsewhere shows a contraction approximately $17,000,000, current loans elsewhere are $11,000,000 less than for 1902. Deposits for October were $394,009,696, compared with $391,781,524 for September, and $361,789,619 for October, 1902. Current loans elsewhere are $11,000,000 less than for 1902.

By the November statement it will be observed that the item of "Current loans in Canada," which is a reflex of the requirements of the commercial community, shows the first decrease in many months. There is little cause for anxiety, however, as the total discounts are still many millions above the total of a year ago, the aggregate of current loans on November 30 being $380,688,701, against $380,823,162 on October 31, 1903, and $317,172,228 on November 30 of last year. In the matter of call loans another decrease of $1,618,710 is reported in Canada, the total outstanding being $39,109,610, which compares with $51,958,914 a year ago, or a decrease of $12,849,301. Call loans "elsewhere" increased by nearly $3,000,000 for November, but are still $16,000,000 smaller than in the corresponding month of 1902. Current loans elsewhere decreased $2,730,672 during November, and are $18,000,000 below the figures of November, 1902. In the matter of deposits the banks are still making a remarkable showing. Demand deposits in Canada increased by $2,028,815 during November, and are now $120,098,903, against $111,691,073 in November, 1902, while the sum held on notice is $2,609,921 greater than in October, 1903, and approximately $28,000,000 in excess of a year ago. Deposits "elsewhere" increased by about $3,000,000 during November. Specie holdings also shows an increase, being $1,127,796 greater than in October. Circulation decreased by $2,959,755, and at the end of November was $67,425,856, or $3,000,000 in excess of a year ago. Another small increase in the reserve fund is shown, and this is doubly interesting in view of the fact that the combined rest account of the thirty-three chartered banks of Canada has at last crossed the $50,000,000 mark on a paid-up capital of $78,398,733.

The following statements showing abstract of bank returns will no doubt be found interesting :

DESCRIPTION.	*October 31, 1902.*	*October 31, 1903.*
Capital paid up	$71,137,000	$78,286,000
Circulation	65,928,0C0	70,480,000
Deposits	408,182,000	435,738,000
Loans, discounts and investments	415,821,000	478,402,000
Cash, foreign balances, net and call loans	176,025,000	163,790,000
Specie	13,304,000	29,980,000
Legals	23,786,000	14,219,000
Call loans	98,757,000	71,313,000
Investments	59,297,000	63,962,000

Government Savings banks	$62,082,000	
Montreal city and district Savings banks	14,680,000	
La Caisse d'Economie, Quebec	6,984,000	
Loan companies	20,000,000	
		$103,746,000
Bank deposits		435,788,000
Total		$539,484,000

GOVERNMENT CIRCULATION.

Large	$27,345,000
Small	12,463,000
Total	$39,808,000

Gold held, $26,738,000.

DESCRIPTION.	November 30, 1902.	November 30, 1903.
Capital paid up	$71,928,000	$78,398,000
Circulation	64,497,000	67,425,000
Deposits	413,876,000	441,775,000
Loans, discounts and investments	419,609,000	470,715,000
Cash, foreign balances, net and call loans	178,613,000	169,892,000
Specie	12,710,000	15,447,000
Legals	24,055,000	30,464,000
Call loans	101,521,000	72,330,000
Investments	61,358,000	63,927,000

Government Savings banks	$61,205,000	
Montreal city and district Savings banks	15,062,000	
La Caisse d'Economie, Quebec	7,310,000	
Loan companies	20,000,000	
		$103,577,000
Bank deposits		441,775,000
Total		$545,352,000

GOVERNMENT CIRCULATION.

Large	$27,466,000
Small	13,156,000
Total	$40,622,000

Gold held, $28,224,000, or sixty-nine per cent.

One of the most gratifying signs of the advance in business in 1903 is that of the bank clearing-house returns in the two leading Canadian cities for the year. In Toronto the total clearings are well on the way to the billion dollar mark, while in Montreal they slightly exceeded that point.

The Canadian clearings for the eleven months ending with November, 1903, amounted to $2,416,466,942, a gain over 1902 of 5.2 per cent.

The amalgamation has taken place between the new City and County Bank of Ottawa and the Crown Bank of Canada. Neither institution had begun actual business. The head office will be in Toronto, and business will be begun there in a few months. There will be a branch in Ottawa.

SATISFACTORY CONDITION OF MANUFACTURING.

There has been quite an extraordinary increase in the quantity of goods manufactured in Canada during the past year. A greater difficulty than ever during the year has been the securing of sufficient labor, and no apparent diminution in the buying powers of the people. The United States manufacturers still continue to establish additional plants in Canada, and in some cases are establishing manufacturing plants here in preference to their own country.

The export trade in manufactures has continued to increase, and only in iron and steel, cotton and woollen manufacturing are unusually difficult problems being faced.

Many large industrial enterprises have secured charters during the past year, and in many old lines of business extension has been made.

THE LUMBERING INDUSTRY.

The lumber trade in Canada has continued in a prosperous condition and shows rapid development. During the past year the exports amounted to $33,000,000. Prices still remain high, the cost of production quite keeping pace therewith. Strikes in the building trade undoubtedly affected the demand somewhat.

The cut of New Brunswick for the past year was about 130,000,000 feet.

In British Columbia the most notable feature has been the rapid development of the lumber industry.

The demand from the territories, as well as elsewhere, has been unprecedented, and a trade which a few years ago was small in proportion and most satisfactory as to profits, has now reached figures which almost creates the feeling that there may have been an overproduction.

Mining Development.

The mining industry is now being carried on on a large scale in Canada. The output of the coal mines is steadily increasing, and prices continue to keep high enough to produce very handsome profits. In the Crow's Nest collieries the output has nearly doubled during the past year. It amounted to 652,000 tons, 116,000 tons of coke having also been manufactured during the period.

In copper and gold mining there has been a steady progress, the actual mining and smelting on a paying basis in the Boundry districts being larger than at any previous time.

Growth in British Expenditures.—According to "The Statist," of London, the imperial and municipal expenditures of Great Britain are rapidly increasing. Twenty years ago the sum expended upon governing the nation was only £85,955,000; ten years ago the amount was still only £91,303,000; but for the current year it will be £138,845,000. From 1883–84 to 1893–94, a period in which the nation was relatively economical and was saving largely, the growth in the imperial expenditure was only £5,348,000, or about six per cent. But in the ten years from 1893–94 to 1903–04 the national expenditure has risen to £143,954,000, a growth of no less than £52,651,000, or 57.6 per cent. In other words, the growth in imperial expenditure has been over nine times greater in the past decade than in the previous one. Nor does this represent the total growth in expenditure. Payments are now being made out of capital which were formerly paid for out of revenue. Including capital outlays, the total imperial expenditure in 1883–84 was £86,954,000. Ten years ago it was £92,180,000, but the total for the current fiscal year will be £149,954,000.

The most recent returns of the comprehensive income and expenditure of the local authorities is for the year 1900–01. In that year their total expenditure out of revenue and loans was £133,713,000. Ten years previously their expenditure was only £70,637,000, and in 1880–81 only £63,402,000. Thus, whereas from 1880–81 to 1890–91 their annual expenditure grew by only £7,235,000, or eleven per cent., from 1890–91 to 1900–01 their annual outlays increased £63,076,000, or by eighty-nine per cent. Since 1900–01 there has been a further growth in their expenditure, and for 1903–04 their outlays seem likely to reach to £150,000,000.

In the opinion of "The Statist," this large growth of expenditures is a factor of considerable influence on the enormous imports of the United Kingdom, and tends to add to the excess of imports over exports.

Increase of Banking Capital in the United Kingdom.—The London "Bankers' Magazine" for January contains an interesting review of the Progress of Banking in Great Britain and Ireland in 1903, by R. H. Inglis Palgrave. It is shown that the increase in banking capital (including surplus or reserve) was £1,726,769, compared with £1,638,714 in 1902, £2,189,763 in 1901, £1,263,390 in 1900, £2,829,612 in 1899, and £2,076,432 in 1898. For the twenty-eight years, 1876–1903, the net increase has been £52,034,446, and in the same time deposits have increased something like £340,000,000 or $350,000,000.

LEWIS E. PIERSON.

THE NEW PRESIDENT OF THE NEW YORK NATIONAL EXCHANGE BANK.

Lewis E. Pierson was recently elected President of the New York National Exchange Bank, succeeding James Rowland, who will continue to be a director of the bank.

Mr. Pierson has had extensive banking experience, and his promotion to this important position is fully deserved. After graduating, he entered the Hanover National Bank, remaining with this institution from 1885 until 1898, at which time he became Cashier of the New York National Exchange Bank.

LEWIS E. PIERSON,
President of the New York National Exchange Bank.

In 1900 he was elected Vice-President. His qualifications as a capable and successful bank officer have been clearly shown in the several responsible positions he has filled.

The New York National Exchange Bank is one of the old and reliable banks of the city. It was founded as a State bank in 1851, entered the National system in 1863 and remained under practically a continuous management until 1898, when it was reorganized by admitting into its directorate representatives of some of the strongest financial interests in New York. This resulted in a marked gain in the bank's business. The capital was increased from $300,000 to $1,000,000, with surplus and profits of over $800,000, and the deposits gradually increased from $1,647,049 to over $6,000,000 at the present time.

The success of the bank has been due, principally, to its faithful and energetic management, and a conscientious regard for the interests of its customers. A specialty of the bank has been the handling of drafts drawn with bills of lading attached, for country banks, and having a department especially devoted to this service, and the additional advantage of long experience, a large and successful business has been built up on this line.

Mr. Pierson was for a time Acting Secretary of the New York State Bankers' Association, and at the annual convention last year he was chosen Vice-President. He is also chairman of a committee appointed by the American Bankers' Association to perfect a system of bank money orders.

ANNUAL REPORT OF THE SUPERINTENDENT OF BANKS OF THE STATE OF NEW YORK.

TRANSMITTED TO THE LEGISLATURE JANUARY 6, 1904.

To the Legislature:

The administration of the State Banking Department of the affairs of the institution under its supervision were marked by but few incidents of particular importance during the fiscal year which closed September 30, last, though some at least of them were of a character and consequence to make special mention of them interesting and expedient.

The Cornwall Bank, a small institution, which appears to have been left almost wholly to the management of its Cashier, was looted by that officer to the extent that even an assessment of one hundred per cent. upon its stockholders was inadequate to provide sufficient funds to meet its indebtedness to depositors and other outside creditors. The stockholders, or a portion of them, contributed more than their legal liability, however, and thus satisfied all claims but their own. Possibly that course appealed to them as likely to prove cheaper in the end than to defend suits based upon the contention that a failure of directors to direct establishes a personal liability capable of being enforced.

The defalcation in question was discovered by an examiner of this department, and it could hardly have been concealed at any time during several preceding months had there been even a casual examination of the bank's business by its officers. The Cashier is serving a term in prison because of his misdoing, which it is but just to him to say the other officers and directors of the bank believe he never contemplated should resolve itself into a theft of money. One successful speculation in the stock market was succeeded by losses, and with the hope that prices would recover the Cashier employed funds of the bank to protect his commitments, confidently expecting to replace his borrowings. But the losses grew greater instead of diminishing, so that more and more money was taken from the bank, until a sum approximating the total deposits had been appropriated.

The two lessons that the affair enforces are that there is no safety for any man in diverting to his own uses the first dollar of moneys held by him in a trust capacity, and that directors who do not "diligently" administer the affairs of their corporations, or who "willingly permit" the laws applicable thereto to be violated, are guilty both of thrusting temptation before their employees and of risking the ruin of their institutions.

The story of the failure of the United States Shipbuilding Company, and of the connection of the Trust Company of the Republic with the financing of that corporation's affairs, has so filled the columns of the newspapers from time to time that some official statement of the course of the Superintendent of Banks in the matter ought perhaps to be made. Upon the first intimation that the trust company had made unusual commitments in the case a special inquiry was instituted by me to ascertain the facts, and I was amazed to find that undertakings had been entered into and liabilities incurred which not only jeopardized the solvency of the trust company, but flagrantly transgressed the law. The company had made numerous loans without collateral other than shipbuilding stock and securities, one of them

to Mr. Dresser, the President of the company, and to Mr. Nixon, for nearly a million and three-quarters of dollars. It had, besides, guaranteed loans made by other institutions to Mr. Dresser and Mr. Nixon amounting to two million dollars. I required, under the alternative that the company be referred at once to the Attorney-General for proceedings in insolvency to be instituted against it, that there be some very thorough straightening out of the trust company's affairs. The direct loan to Mr. Dresser and to Mr. Nixon was excessive under the law, regardless of Mr. Dresser's official relation to the company, and to him it was more than ten times the amount that could lawfully be loaned. Under my insistence a half million of it was soon repaid, the loans for two millions guaranteed to other institutions were taken up, and later the balance of the Dresser and Nixon note to the Trust Company of the Republic was paid in full. This seemed to me a far better procedure than to refer the company to the Attorney-General summarily, for it recovered nearly four million dollars that in the other alternative might have proved a loss. Moreover, one plan for reorganizing the shipbuilding trust would have involved a loss of six hundred thousand dollars to the trust company if carried through, which, however, was objected to, and finally abandoned.

It was impossible, however, to avert all of the consequences of the ill-judged and reckless commitments in which the company had become involved, and it preserved its solvency only by cutting its capital in two. Its losses on account of investments in the shipbuilding folly, and from loans upon shipbuilding collateral, aggregated nearly nine hundred thousand dollars, and, with other minor losses and depreciation in investments, wiped out the company's entire surplus, and necessitated the sacrifice by stockholders of one-half of their holdings. Over a million dollars was charged to profit and loss.

I note that Mr. Dresser attempted in the shipbuilding inquiry to justify or excuse his borrowings from the Trust Company of the Republic by charging that such transactions are common, or at least not uncommon, in other institutions. The information at my command regarding such alleged practices warrants absolute contradiction of Mr. Dresser on this point. Twice in each year every trust company is required to submit a verified report of its condition to this department, and one item in such reports covers the amount of loans, directly or indirectly, to directors. It is extremely unusual for these reports to disclose any unlawful loan of the character under consideration. Besides this check, every examiner of the department is under special instructions to report particularly whether he finds in an examination loans by a trust company to its directors, and, if found, the amount thereof. These examinations are far from confirming Mr. Dresser's representation; on the contrary, they refute it.

The Department's System of Examinations.

In this connection a statement of what constitutes the system of examinations in this department, and the resultant action thereon, will doubtless be of public interest. The banking law requires that every bank, trust company, building and loan association, safe deposit company, or mortgage company, under the supervision of the department be examined as often as once a year, and Savings banks once in two years. A special examination of an institution may be made also whenever the Superintendent of Banks is of the opinion that "its condition and management is such as to render an examination of its affairs necessary and expedient." In point of fact, special examinations are usually undertaken only when some particular disclosure regarding an institution is thought to give occasion for anxiety, or when its own reports indicate irregular or unsatisfactory conditions. While they are not frequent, neither are they so exceptional as to be unusual. The regular examinations are not set for exact days, but, rather, it is usually sought to vary the dates from year to

year, so that they cannot be calculated with any certainty by the officers of the corporation to be examined. The examiners investigate not only the liabilities of an institution, but its resources, which they become singularly proficient in analyzing and classifying with correctness as "doubtful," "bad" and "good." They note also whether improper investments are held, all irregularities that are practiced, whether faults previously reported have been corrected, and indeed every matter that they find which can be fairly made the subject of criticism. Reports embodying these findings are submitted promptly to the Superintendent of Banks, who goes over them searchingly, and in due course writes to each of the institutions criticised detailing to it the examiner's criticisms, and directing that worthless assets be charged off, and that all irregular, unsafe and illegal practices be discontinued and remedied, and that report of the action taken be made promptly to this department. These letters are recorded in the department in a book by themselves, wherein the replies are also entered. A failure on the part of any institution to reply to a communication based upon a report of examination is followed by a second letter, and, if necessary, by a third, and if the matter be of sufficient importance, by a personal visitation, either by the Superintendent or by an examiner, and in many instances by interviews between the officers and the Superintendent. In fact, the matter is followed diligently until the faults complained of are corrected as far as the circumstances in the respective cases will permit. A close touch is thus kept with the affairs of every bank and trust company, and its actual condition at the date of examination is made determinable almost at a glance.

But even with the utmost care and vigilance censurable practices will, at times, creep in, and violations of law occur. There is all of the time between examinations, or at least between reports, for managers and clerks to go wrong if they are so disposed, and no supervisory system could be effectual to prevent them altogether. The final dependence of the public and of stockholders against weakness, recklessness and dishonesty in banking corporations must be upon a board of directors who are duly vigilant, and upon executive officers of absolute probity, who will exercise a thorough and intelligent care for the interests which they hold in trust.

Banks of Deposit and Discount.

Fourteen State banks closed during the year, and fifteen were organized, making the whole number in active business on September 30 one hundred and ninety, or one more than at the corresponding date in 1902. Of the banks that closed three combined to form a new and larger institution, four were merged into other banks, two were converted to the National system, two closed to make place for trust companies controlled by the same interests, one failed, one went into voluntary liquidation upon the purchase of all of its stock by a trust company desirous of utilizing its location for a branch office, and another because its business was not profitable. Nine of the fifteen new banks are located in the city of New York. Besides these newly-organized institutions, seventeen branch offices of banks were opened in New York during the year, making the whole number of branches on the date named fifty-four. Since the facilities provided by these branches to their customers are substantially the same that independent banks would afford, the system will be seen virtually to have increased in the number of its institutions, as it has also in total assets, and apparently in prosperity. The combined capital of the banks that closed was $1,700,000, and of those that were organized $1,775,000, while increases in capital effected by other banks amounted during the year to $2,125,000—making a net increase of $2,200,000 in this item. The surplus and undivided profits as reported by the banks in August, last, were $32,721,113, or an increase of $2,910,095, or very close to ten per cent. over the total reported by them in the preceding September. That showing certainly suggests prosperity. It is, however, not complete, for the

banks that closed during the year had surplus and profits of about $1,750,000, allowance for which would make the reported increase over fifteen per cent. On the other hand, some of the gain shown does not represent net earnings, but money paid in, and the statements by the banks fail in some cases to cover the depreciation which occurred during the year in stock and bond values. But the net is on the right side, and certifies better earnings and a general improvement.

The aggregate resources of the State banks at the date of their last report in the fiscal year were $367,613,345, or $15,897,161 more than at the corresponding date in 1902.

A comparison of the State banks with those of the National system has some features of interest. Although the latter are greater in number, and the various items reflecting their condition vastly larger, they are not, I think, more prosperous or proportionately stronger. Their percentage of surplus to capital is under 106, while that of the State banks is over 112. Their resources decreased $76,504,192 during the year, while those of the State banks increased $15,897,161. Though their surplus shows on the face of their reports a gain for the year of two and a half per cent. greater than the State banks claim, I doubt if that apparent advantage would prove actual if the data were at hand to establish how much of it in each case represents net earnings, and how much of it money paid in upon organization or reorganization, or in connection with increases of capital.

While there were sixteen National banks chartered in the State of New York during the year which closed September 30, and seventeen in the preceding year, only one of the thirty-three was located in the city of New York, while of the twenty-eight State banks organized in the same time fifteen are in that city. The largest capitalization of any one of the new National banks is $250,000, while of the new State banks there are two each of which has a capital of twice that sum.

The number of National banks authorized in this State during the fiscal year was sixteen, of which two were renewals of expiring charters; the number closed, exclusive of those rechartered, was five. The whole number of this class of institutions engaged in active business in New York, September 30, was 362, with an aggregate capital of $136,769,840, a combined surplus and undivided profits amounting to $144,624,685, and total resources of $1,522,208,085.

THE TRUST COMPANIES.

The latest reports showing the condition of the trust companies is as of the morning of the first day of July, last. Their capital has increased $9,325,000 since the previous July, to an aggregate of $62,550,000, their suplus and undivided profits $26,911,055 to $141,686,703, and their total resources $68,158,070 to $1,146,370,755. The gain in the latter item for six months was larger still, their resources having diminished from July, 1902, to January, 1903. Their total deposits July 1, 1903, were $914,769,871.56, which have, however, decreased in most companies since that date. Upward of twenty-one million dollars of the increase in their surplus stands for money paid in upon the organization of new companies, or upon the sale of new stock at a premium in cases of increase of capital of companies previously in business, so that upon their own statements the companies made during the year hardly more than six millions besides the profits which they distributed in dividends. But the period covered was one during which security values shrank tremendously, and when it is considered that the trust companies held stock and bond investments amounting to two hundred and thirty million dollars, subject to a very great depreciation, it must be concluded that only by the most prudent and sagacious management could any gain at all have been expected, or, indeed, escape from actual loss have been averted. The test of strength so supplied was severe, and the companies

and the public alike are to be congratulated that, with one or two exceptions, it uncovered no danger points and left no wrecks.

The number of trust companies submitting reports on the first day of July was seventy-seven, or seven more than in the preceding July, and to this number four should now be added which had not begun business on the latter date named.

Some further details regarding the banks and trust companies located in the boroughs of Manhattan and Brooklyn may be of interest.

There are but fifty-five banks belonging to the clearing-house association, and thirty-four "non-member" banks clearing through agents, and, therefore, making reports to the clearing-house.

A comparison of the condition of these institutions with the condition of trust companies at the nearest available date (July 1, 1903), will be of interest.

The clearing-house banks, including non-members, had July 3, 1903:

Capital	$116,864,700
Surplus and profits	136,181,200
Deposits	974,706,100
Loans and investments	938,687,000

The trust companies had on July 1, 1903:

Capital	$56,475,000
Surplus and profits	136,046,491
Deposits (including $232,892,531 of "deposits in trust")	828,338,354
Loans and investments	884,807,293
Cash on deposit in banks and other moneyed institutions	108,180,224
Cash on hand	23,306,387

There are also seventeen State banks and seven National banks in Greater New York which are not members of the clearing-house, nor in the list of the so-called non-member banks. Add the items of capital, surplus, deposits and loans and investments, which the reports of these institutions would show, to the corresponding items above given for the trust companies, and it is probable that the aggregate would closely approximate the figures given for the clearing-house banks and banks reporting to the clearing-house. Hence, the weekly statement, as now compiled, covers only about half of what it would cover if all were included.

The Savings Banks.

The number of Savings banks which reported July 1 was 127, the same as six months and one year previously. One Savings bank in New York city, however, was authorized by me in October, making the whole number authorized in the past eight years five, while four closed during the same period.

Though the depreciation in bonds alluded to had impaired the surplus of the Savings banks, as computed upon the market value of their investments, to the amount of more than seven million dollars, their July reports still showed them to have a combined surplus of more than one hundred and eight million dollars, or nearly ten per cent. above all liabilities, and to be otherwise in a thriving condition. The amount due their depositors had increased thirty-five million dollars in six months, and sixty-one million dollars in a year, so that on July 1, last, the total amount due depositors was $1,112,418,522.36, and the number of open accounts had advanced in the twelve months from 2,229,661 to 2,327,812. It is improbable, however, that the rate of growth reported for the first half of the calendar year has continued through the second half. It seldom, if ever, does, and conditions have obtained since July which justify the expectation that withdrawals have been larger in that time, and deposits smaller, than have been the rule in recent years. Labor disturbances and investment opportunities are mainly responsible for this condition. Workmen on strike have had to draw upon their savings for support, and evidence is not wanting that many even of the smaller depositors have withdrawn funds for the purpose of

buying stocks. Others in considerable number who were using the Savings banks simply as a convenience until they could employ their moneys more advantageously otherwise, were persuaded by the low prices at which bonds were offered a few months ago to become their own investors. These latter are not properly customers of Savings banks at any time, and the closing of their accounts is rather to be welcomed than regretted. The drawing upon moneys laid by for emergency use by wage workers is, however, another matter. The emergency contemplated in such cases is not a perverse idleness, but physical or age disability. To inconvenience employers, derange business and consume savings for which bitter need may arise can be justified only when genuine grievances can be abated in no other way. Upon all other occasions it is a folly, or worse, which neither the plea of passion, nor yielding to the counsels of incapable or unsrupulous leaders, can either excuse or extenuate.

Personal Loan Associations.

Two years ago at this date there were under the supervision of this department one hundred and ten associations for loaning money upon the pledge of personal property, which number, upon the enactment of restrictive legislation, had decreased in December, 1902, to about forty. It has since fallen to fifteen, and most of those that have closed it may fairly be said that nothing in their life became them like the leaving of it. They had been organized to loan money at extortionate rates, and when their privileges were curtailed by act of the Legislature, and their operations subjected to supervision, they proceeded to dissolve. Advertisements appearing in the newspapers from time to time, and an occasional letter of complaint received by me, indicate that individuals are now prosecuting the business formerly done by many of these companies, and are charging usurious rates on their loans. Thus borrowers may not be faring better, but the State does not now stand sponsor for the lenders, as in a sense it did before the personal loan law was amended.

Total Resources.

The total resources of the several classes of institutions which report to this department, as shown by their reports as of the dates indicated, are as follows:

Banks of deposit and discount, August 25, 1903	$367,613,345
Savings banks, July 1, 1903	1,221,425,002
Trust companies, July 1, 1903	1,146,370,755
Safe deposit companies, July 1, 1903	6,796,848
Foreign mortgage companies, January 1, 1903	4,857,435
Building and loan associations, January 1, 1903	53,952,387
Domestic mortgage and security company	1,311,850
Building lot associations, January 1, 1903	538,810
Security and mortgage companies	4,500,142
Total	$2,807,368,569
The gain over the previous year is	135,366,685
And since January, 1896, the time I became Superintendent of Banks.	1,262,494,873

Note.—The resources of mortgage and security companies, and of building lot association, did not appear in the like table given in report for 1902, and they are not included in the figures of increase stated above.

Banking Law Amendments.

A source of abundant abuse in building and loan association management has been the practice of making deductions from stock payments to meet running expenses. It left the door wide open for extravagance, and for discontent on the part of shareholders. Chapter 84 of the Laws of 1903 amends section 196b of the Banking Law so that that practice is now prohibited.

Section 159 of the Banking Law was amended by chapter 160 of the Laws of 1903 to permit trust companies to invest their capital in bonds and mortgages on unincumbered real property in this State to the extent of sixty per centum of the value

thereof. Formerly such investment of capital could be made only in case the real estate was worth double the amount loaned thereon.

Section 116 of the banking law was amended in two unimportant respects. Bonds of the Buffalo Creek Railroad Company were added to the list of securities in which the Savings banks could lawfully invest, and it was also made lawful for these institutions to invest in the interest-bearing obligations of villages and towns in this State. Theretofore the strict letter of the law permitted them to invest in village and town obligations only in case they were in the form of bonds.

Assets and Liabilities.

The reported condition of the banks of deposit and discount on the twenty-fifth day of August, 1903, compares with the condition shown by the like reports at the corresponding date in 1902:

Assets.	*1902.*	*1903.*
Loans and discounts, less due from directors	$217,779,773	$215,183,294
Liability of directors as makers	7,303,078	9,199,959
Overdrafts	172,637	171,951
Due from trust companies, banks, bankers and brokers	28,723,381	30,208,676
Real estate	10,624,966	11,965,180
Mortgages owned	4,137,257	3,899,948
Stocks and bonds	25,472,772	24,243,267
Specie	25,625,191	28,864,470
United States legal tenders and circulating notes of National banks	14,463,819	16,197,830
Cash items	15,619,187	26,951,454
Assets not included in any of the above heads	1,793,989	726,712
Add for cents	634	604
Total	$351,716,184	$367,613,345
Liabilities.		
Capital	$26,715,700	$29,145,700
Surplus fund	19,629,616	21,974,127
Undivided profits	10,181,402	10,746,986
Due depositors on demand	244,345,629	250,915,540
Due to trust companies, banks, bankers and brokers	35,535,025	37,533,215
Due to Savings banks	12,573,830	14,871,250
Due to the Treasurer of the State of New York	1,732,105	1,616,548
Amount due not included in any of the above heads	1,003,069	809,679
Add for cents	808	300
Total	$351,716,184	$367,613,345

One hundred and ninety-four banks reported September 6, 1902.
One hundred and ninety-three banks reported August 25, 1903.

Increase of Capital Stock.

Name and Location.	*Date of increase of capital.*	*Amount of increase of capital.*
The Oriental Bank, New York	Dec. 2, 1902	$450,000
Greenwich Bank of the City of New York, N. Y.	Dec. 27, 1902	300,000
Bank of Long Island, Jamaica	Jan. 1, 1903	400,000
Broadway Bank of Brooklyn, Brooklyn	Feb. 6, 1903	50,000
The Borough Bank of Brooklyn, Brooklyn	Feb. 16, 1903	100,000
German-American Bank, Rochester	Feb. 16, 1903	300,000
Federal Bank, New York	April 29, 1903	150,000
Union Exchange Bank, New York	May 12, 1903	250,000
Southampton Bank, Southampton	July 1, 1903	25,000
Stuyvesant Heights Bank, Brooklyn	July 21, 1903	100,000
Total		$2,125,000

New Banks.

Fifteen new banks were organized during the fiscal year, or two more than in the previous year, and seven more than in the fiscal year 1901–02. They are as follows:

Name and Location.	Date of authorization.	Capital.
State Bank of Ovid, N. Y., Ovid	Oct. 2, 1902	$25,000
*The Federal Bank of New York, New York	Oct. 17, 1902	100,000
†Bank of Long Island, Jamaica	Nov. 20, 1902	100,000
Bank of Lawrence, Lawrence	Jan. 26, 1903	25,000
Bank of M. & L. Jarmulowsky, New York	Feb. 21, 1903	100,000
Atlantic Bank, Brooklyn	April 14, 1903	100,000
The Nassau Union Bank, Glen Cove	April 14, 1903	100,000
Chelsea Exchange Bank, New York	April 18, 1903	100,000
Bank of Hicksville, Hicksville	April 21, 1903	25,000
Bank of Jamestown, Jamestown	May 1, 1903	100,000
Market Bank of Buffalo, Buffalo	May 16, 1903	100,000
The Cooper Exchange Bank, New York	June 4, 1903	100,000
†Union Exchange Bank, New York	June 22, 1903	500,000
The Bank of Discount, New York	July 14, 1903	100,000
The Monroe Bank, New York	July 23, 1903	200,000
Total		$1,775,000

* Capital since increased to $250,000. † Capital since increased to $500,000

Closed Banks.

Name and Location.	Date of closing.	Capital.
*Bank of Jamaica, Jamaica	Dec. 3, 1902	$50,000
*Far Rockaway Bank, Far Rockaway	Dec. 3, 1902	25,000
*Flushing Bank, Flushing	Dec. 3, 1902	50,000
*Fifth Avenue Bank, Brooklyn	Dec. 4, 1902	100,000
*Citizens' Bank of Le Roy, Le Roy	Dec. 8, 1902	50,000
‡Washington Bank, New York	Jan. 26, 1903	100,000
*Twenty-sixth Ward Bank, Brooklyn	Jan. 26, 1903	100,000
‖Bedford Bank, Brooklyn	March 31, 1903	150,000
**State Bank of Tonawanda, Tonawanda	May 24, 1903	200,000
§Cornwall Bank, Cornwall	July 24, 1903	25,000
*Eighth Ward Bank of Brooklyn, Brooklyn	Sept. 22, 1903	100,000
†A. D. Mather & Co.'s Bank, Utica	Aug. 1, 1903	200,000
†Chemung Canal Bank, Elmira	March 2, 1903	300,000
**Commercial Bank, Syracuse	Sept. 26, 1903	250,000
Total		$1,700,000

*Closed by merger. **Converted to the National system.
†Succeeded by a trust company. ‡In voluntary liquidation.
§Failed. ‖Stock bought by a trust company and bank closed.

Securities and Cash Held in Trust.

Securities and cash were held by the Superintendent of Banks on the thirtieth day of September, in trust for the banks of deposit and discount, individual bankers, one mortgage and security company, and the trust companies as herewith stated:

United States 2 per cent. bonds	$44,000	Brooklyn city 4 per cent. bonds	$100,000
United States 3 per cent. bonds	20,000	Niagara Falls city 4 per cent. bonds	20,000
United States 4 per cent. bonds	163,000	Rochester city 3½ per cent. bonds	80,000
United States 5 per cent. bonds	2,000	Rochester city 6 per cent. bonds	10,000
New York State 3 per cent. bonds	3,000	Middletown city 3½ per cent. bonds	20,000
New York State 3½ per cent. bonds	100,000	Albany city 3½ per cent. bonds	41,750
New York county 3 3-10 p. c. bonds	50,000	Jamestown city 4 per cent. bonds	20,000
New York city 2½ per cent. bonds	165,000	Buffalo city 3½ per cent. bonds	50,000
New York city 3 per cent. bonds	885,000	Bonds and mortgages	50,000
New York city 3½ per cent. bonds	5,347,500	Cash	378
Brooklyn city 3 per cent. bonds	220,000		
Brooklyn city 3½ per cent. bonds	250,000	Total	$7,641,628

RECOMMENDATIONS.

Examination by Directors.

The plundering of the Cornwall Bank by its Cashier adds force to the recommendation several times submitted by me, that the banking law be amended to require a compulsory examination of banks by their boards of directors, or by a committee, or an expert accountant, representing the directors, at least as often as every six months, and that verified reports thereof be filed in the banking department. Almost simultaneously with the Cornwall wrecking, the news dispatches reported two banks closed in other States for like cause, and as to one of them the defaulting official was quoted as having pronounced the directors almost equally culpable with himself, since, as he said, his peculations could not have escaped discovery had there been but the most perfunctory examination of the books of the bank at any time during several preceding months. The "one-man bank" is not an institution to be encouraged, and directors who accept a trust should be compelled to give some sort of attention to its obligations. The practice here recommended would serve also to make directors better informed concerning the affairs of their banks, and thus tend to prevent losses due to mistakes of judgment, or to undue leniency with debtors by administrative officers.

Investments by Trust Companies.

While the instances where serious embarrassment has been experienced by trust companies have happily been extremely few, all of them, except one, have arisen from too large transactions the safety of which depended wholly upon the success of one or two, or two or three, enterprises. That was the trouble with the Holland, and the same course seems to have cost the Trust Company of the Republic a million dollars in resources, a loss of practically all of its business, and a threatened lawsuit.

Effort has been made for two years now to amend section 159 of the banking law so as to make its meaning indisputably clear, so that it shall prohibit in terms which cannot be mistaken the investment by any trust company of more than ten per cent. of its combined capital and surplus in the stock of any private corporation. At present the prohibition, as I construe it, is sufficiently plain against investments of this character in excess of ten per cent. of the capital of the investing company, but that interpretation has been challenged both as a matter of law and of reasonableness of requirement. It is fairly claimed that a company which has accumulated by careful and sagacious management a surplus of perhaps five or ten million dollars should not be held quite to the same limit as an untried company of equal capital, but having a much smaller surplus. It is not unreasonable, therefore, as it seems to me, that the limit be extended as here suggested. But, as it is contended by some of the specially chartered companies that the provisions of section 159 are not applicable to them, it is important that the restriction proposed shall be made in terms to apply to all trust companies whose charters do not expressly authorize them to invest in the stocks of private corporations in the discretion of the management.

Underwriting engagements, as they are commonly contracted, commit subscribers not merely to an agreement to take a stated amount of stock or bonds at a stipulated price, but the essence of the business often is that the subscriber undertakes virtually to stand as a promoter in the case. The success of the enterprise to be exploited is often all yet to be achieved, and is, therefore, problematical and speculative.

Trust companies should be prohibited by law from engaging in underwriting schemes. In my opinion it is sufficient for them to be allowed to invest in the securities of private corporations only after these securities have had inception and their

value tested upon the market. Those who underwrite enter into their engagements of course upon the expectation of being able to market the securities for which they subscribe at a greater price than that which they promise to pay. This is not investment; it is speculation, in which trust companies ought not to be allowed to use the money of their depositors.

The experiences in New York within a year or two where bonds thus put out have had very great depreciation, regardless of the strength of their support, have occasioned many regrets and sore memories. I hold, therefore, that it is not enough that the door be closed effectually against excessive purchases of stocks of private corporations, but that it should be shut also against a too close and dangerously large identification in any manner of the fortunes of a trust company with experimental and hazardous schemes for the financing and development of properties which, even if eventually successful, may have before them long years of uncertainty and difficulties. The public's deposits deserve to be guarded against such reckless employment, and the statute should be so changed as at least to impose a limit beyond which operations along such lines cannot be lawfully carried.

Foreign Trust Companies.

The failure of the International Bank and Trust Company of America, a Delaware corporation, in October last, was thought by the District Attorney of the county of New York to require investigation at his hands, the company having maintained an office in New York, and a communication to me from that official states that the company had been receiving deposits in New York, which it had no right to do. I had undertaken on several occasions to investigate the operations of the company in this State, and had been given the most unequivocal assurances by its officers, both orally and in writing, that it was transacting no business whatever in New York in violation of law, or to which exception could be taken. I have before me a list of twelve other foreign trust companies, so-called, which have offices in the metropolis, and for the examination of which commissions issued by me are now outstanding. How many more there may be I have no means of knowing, nor has any other State official. No other class of foreign corporations is permitted to do business in this State except upon a license properly procured, but as to foreign trust companies the laws of New York, if not altogether silent, are at least so lacking in direct expression as to leave it perhaps uncertain what the privileges of such companies may be here, if any. My own view is that, upon a consideration of all laws that I have been able to discover which have any bearing on the question, it was never intended that foreign trust companies should have the right to establish offices or do business in New York.

Section 88 of the banking law provides that no foreign corporation, other than a National bank, shall keep any office for the purpose of receiving deposits, or discounting notes or bills, or issuing any evidence of debt to be loaned or put in circulation as money within this State.

Section 19 of the General Corporation Law provides that no corporation, except a corporation formed under or subject to the banking law, shall by any implication or construction be deemed to possess the power of carrying on the business of discounting bills, notes, or other evidences of debt, of receiving deposits, or buying gold or silver bullion or foreign coins, or buying and selling bills of exchange, or shall issue bills, notes, or other evidences of debt for circulation as money.

These are the only statutes except the penal code which deal with the subject, and it will be seen that many of the powers granted to domestic trust companies are not prohibited by these provisions, and, since some are prohibited, it is argued that a foreign trust company may come into this State and do the things which are not expressly prohibited.

Section 19 of the General Corporation Law, above referred to, has been held to include in its prohibition foreign corporations, but it has also been held that it does not prohibit foreign corporations from purchasing promissory notes.

A foreign trust company should certainly not have the power to come into this State and receive deposits, or act as trustee, guardian, executor, or in any other of the several fiduciary capacities. This condition of uncertainty and lack of regulation ought not to continue longer, and it is respectfully suggested that the Legislature expressly prohibit foreign trust companies—whether vested by their charters with powers akin to those possessed by our own trust companies, or whatever their rea character, provided they have the word "trust" as a part of their corporate title—from maintaining offices in this State, or else they be accorded that privilege only upon the authorization of the Superintendent of Banks, subject to his examination, and with statutory restrictions as to the kind of business they may do under such authorization.

Branch Offices of Trust Companies.

I now hold that a trust company organized under the general law has no right to open a branch, except upon authority from this department, and that such authority may be given or withheld in the discretion of the Superintendent. But there is no express provision in the law to this effect, and it is only from inference that I claim such authority.

Some specially chartered trust companies, however, claim the right to open one or more branches without the consent of this department. That provision of the statute which makes it the duty of the Superintendent to ascertain from the best sources at his command whether "the public convenience and advantage will be promoted" by the establishment of a trust company, obtains with just as much force as to the establishment of a branch.

The law should be amended so as definitely to declare the rights of all trust companies and the powers of the Superintendent in this direction.

Legal Reserve for Trust Companies.

In my report to the Legislature for the year ending September 30, 1901, I stated that I was not prepared to recommend the enactment of a requirement that trust companies carry a certain percentage of their depesits as a cash reserve, and reasons were given at that time for declining to make such recommendation.

Since then the New York Clearing-House, by an amendment to its constitution, has required that every non-member clearing through a member of the association shall after June 1, 1903, keep in its vaults a cash reserve equal to five per cent. of its deposits, which percentage shall be increased after eight months to seven and one-half, and after one year to not less than ten nor more than fifteen, as shall be from time to time fixed by the clearing-house committee.

At that time there were twenty-six trust companies in Greater New York clearing through the clearing house. Since the adoption of this amendment nine have ceased to clear through the clearing house, so that there are to day but seventeen companies availing themselves of this privilege, none having been admitted since June, last.

While this rule of the clearing-house has perhaps resulted in lessening the amount of strictly commercial business done by the trust companies, it certainly has not resulted in inducing them generally to keep the reserve therein required. Those companies which have withdrawn from the privileges of the clearing house, and those that never belonged, necessarily suffer more or less inconvenience because they do not enjoy the advantages of clearing-house banks, but the banks themselves suffer a greater inconvenience because of their readiness to collect as best they can checks deposited with them by trust companies drawn upon institutions in no way con-

nected with the clearing-house This they do in consideration of a goodly credit balance kept with them by the trust companies, so that, after all, the inconvenience resulting to trust companies because of not being connected with the clearing-house is not very great.

There is no question but that there is a growing sentiment in banking circles, especially in the city of New York, that trust companies should be obliged by law to keep a cash reserve. The rule of the clearing-house has been found to be inadequate for the purpose. It will hardly be disputed that the greater portion of the business of most trust companies is a general banking business, and because of that, and in view of the sentiment existing in the clearing-house association, and among bankers and business men generally, the subject of reserves by trust companies should be regulated by statute.

The report of the trust companies located in the city of New York showed on July 1, 1903: Due depositors, including banks and Savings banks, $828,338,354.56; deposited in banks, $108,180,224.81; cash on hand, $828,306,387.83. Showing as a matter of fact, that they had in cash and on deposit fifteen and nearly nine-tenths per cent. of their deposits, of which a little more than one-fifth was in cash.

The reports of trust companies outside of the city of New York showed on July 1, 1903: Due depositors, including banks and Savings banks, $86,431,517; deposited in banks, $12,208,402.20; cash on hand, $3,402,302.18. Showing that they had in cash and on deposit fourteen per cent. of their deposits, of which not more than one-quarter was in cash.

Agitation of the subject has created to some extent at least an indefinite, and, although wholly unwarrated, yet somewhat damaging impression against trust companies, especially in the city of New York. I think, therefore, that it would be wise to set the whole matter at rest by the enactment of a law which will require the trust companies of the State to keep a reserve equal to that required of State banks, which in the city of New York are obliged under the law to-day to keep a reserve of fifteen per ecnt., one-half of which must be in cash, and in the balance of the State a reserve of ten per cent., one-half of which must be in cash; with the modification, however, that trust companies located in the city of New York shall be obliged to keep but five per cent. in cash.

The statutory requirement is that the entire capital of trust companies be invested in specified securities, which in practice are so chosen by nearly every trust company that they are a class of bonds that could be immediately converted into cash if emergency should arise. This character of investment of capital by the trust companies ought to count for something in the way of offset to the requirement of the clearing-house of banks in respect to the cash reserve, and therefore my judgment is that every need in New York city, and elsewhere, would be met if the law were so amended as to require trust companies throughout the State to maintain a legal reserve of the percentages above suggested. Even this, I am confident, will be regarded as unnecessary by many trust companies, on account of the large amount of trust funds carried by them, and it may be that all reasonable requirements would be satisfied if such funds were excluded in ascertaining the amount upon which the reserve should be computed.

This and other changes or modifications can, however, be determined and adjusted during the consideration of the subject by the Legislature should it take the matter up.

In this connection it may be pertinent to make a few suggestions regarding the weekly statement issued by the clearing-house, giving the condition of the associated banks in the city of New York.

In a preceding part of this report will be found a comparative statement of resources and liabilities of the clearing-house banks and the non-member banks (those

clearing through agents) on the one side, and the trust companies on the other. From this statement it will be seen that the resources of the trust companies approximate those of the banks reporting to the clearing-house, and that the deposits of the trust companies (including "deposits in trust") are but one hundred and forty-six million dollars below the total of all of these banks.

While the weekly bank statement undoubtedly reflects truly the average condition of the clearing-house banks, and those reporting to that association, for the week, it is certainly incomplete as a statement of the entire situation, and therefore misleading. It is used as a basis for stock market manipulation, and fails to reflect the true condition of financial affairs so far as the amount of available funds for loaning purposes, and the deposits and loans of banking corporations, in New York city, are concerned.

The fact that these weekly statements are inadequate and misleading is fully appreciated by the banking fraternity of the city, but, under present conditions, there seems to be no practicable remedy.

If the Legislature should see fit to make some statutory provision regarding reserves to be held by trust companies, I suggest the propriety of also requiring an accurate weekly statement of the condition of all trust companies and State banks in the city of New York. This, together with a statement of the clearing-house banks, and the banks which now report to the clearing-house, would result in a comprehensive and substantially correct weekly report of financial conditions so far as banking institutions in the city of New York are concerned.

Respectfully submitted,

FREDERICK D. KILBURN, *Superintendent of Banks.*

TO PROTECT DEPOSITORS.—On January 22 Representative Russell, of Texas, introduced in the House a bill proposing to make it a felony punishable by imprisonment from two to ten years for the President, a director, Cashier or other officers of a National bank to receive or assent to the receipt of any deposit or to create or assent to the creation of any debt in consideration of which any money or valuable property is received after he has had knowledge of the fact that the bank is insolvent or is in failing circumstances.

The bill provides that the failure of the bank within thirty days after such money or property was received shall be prima facie evidence of knowledge on the part of its officers that it was insolvent or in failing circumstances when the money or property was received.

The bill was referred to the Judiciary Committee.

HARMONY BETWEEN LABOR AND CAPITAL.—The assumption that it is necessary to overthrow the capitalist class in order to improve the laboring class is baseless. The condition of the laboring class has improved along with the growth of the employing class. When employers were poor and small, laborers were much poorer than they are now. With the growth of the employing class, the methods of production have been improved, and the output increased. To be sure, capitalists have become richer, but laborers and the whole community are better off. Children go to school instead of going into the coal mines at six and seven years of age. Laborers live under sanitary conditions, instead of being surrounded by pestilential squalor.—"The Coming Class Struggle," by George Gunton.

GEO. H. RICHTER

President Office, Bank and Library Co.

INTERIOR BANK FITTINGS AND SYSTEMS.

The Office, Bank and Library Company, of Boston and New York, is perhaps the most novel institution of its kind in the world. More than twenty years ago Mr. Geo. H. Richter, who is president of the company, became interested in the study of interior bank fittings and systems. Starting in first as salesman in connecnection with such work in the United States, Canada and Europe, he later engaged in business for himself in Boston, manufacturing devices and fittings in a small way. The business continued to grow until a company was organized in 1898, known as the Office, Bank and Library Company.

Realizing more and more the great waste of money and the very unsatisfactory results that are obtained by the majority of banks and corporations in fitting up their banking rooms and offices, this company employed and educated specialists in its several departments, Mr. Richter devoting himself to the study of bank requirements. The best proof of the success and appreciation of this kind of work is shown by the fact that the company has served ten out of eleven banks in a single city, in their fittings and systems.

The difficulty is that when a bank is making alterations or putting up a new building it employs an architect with the expectation that he is to do a great deal of work that does not belong to him and expects him to know a great many things about its own requirements, systems, methods, etc., which he has had no means of knowing. This company is the link between the modern bank and the architect in the matter of the general requirements of the bank, and is prepared to take contracts for any amount of the work which is required for the interior, including counter work, grille work, vault fittings, filing cases, steel furniture, marble work, mosaic floors, ceilings, interior decorations, furniture, etc. Its factories are equipped, through its own printing plant, with departments even for the manufacture of card-index systems and other similar devices. It not only originates its own devices, but employs skilled mechanics for the manufacture of its own tools and dies with which to make them. To superintend the designing, building and erecting of these various lines of work several able and experienced architects have been specially educated and are employed on salaries, giving their whole time to the company.

Study and experience have shown that banks and their architects get much better protection, more satisfactory results and suffer less annoyance and inconvenience by having all their interior work done by one company and supervised by a thoroughly experienced architectural specialist, who is responsible to the bank's architect or to the bank direct, and who is thus able to save time and money and at the same time get better results than could otherwise be obtained.

In arranging a bank the architect is not equipped to do his best work until he knows what conveniences are required. The Office, Bank and Library Company has specialists who take up the question of floor plans, after studying the particular requirements in each case, and devising such systems as shall be acceptable and which are most convenient and most compact.

The following incidents are good illustrations of the value of the work done:

Very recently in a city in New York State a bank having outgrown its vault facilities and seeing no other way out of the situation, reluctantly decided to give up the larger part of its directors' room as the only thing that could be done to provide the needed space. The room had been torn up and a contract let for building an-

other vault. At this point the Office, Bank and Library Company was called in and rearranged the bank systems and the spaces at command, putting steel furniture into the old vault, and one or two fire-proof cases outside, so that space was obtained in the old vault not only for the papers on hand, but for fifteen or twenty years to come, and better than this, a modern labor-saving system throughout was afforded which the bank officers had never thought possible. The floor and wainscoting in the directors' room were replaced, the vault contract cancelled and the bank officers were very happy over the result.

In another instance a large trust company had an expensive building under way, the architect had spent more money in making and revising one plan after another than his commissions amounted to and still neither he nor the bank officers saw a satisfactory solution in view. The Office, Bank and Library Company, by providing proper systems for each department and making new floor plans, which were still possible, and making one foot of space do the work of two or three, saved the bank several thousands of dollars besides giving them accommodations that were satisfactory far beyond their expectations. Owing to lack of space all communication by stairway between the basement and the first floor, and between the first and second floors had been omitted. The removal of some structural iron work and expensive stone work which had already been placed, had been ordered, and this was saved and used to good purpose after the revised plans had been adopted. The Office, Bank and Library Company was then given a large contract for metallic fittings throughout the building, five floors of which were occupied by the bank. Immediately following this three other banks in the same city gave the company large contracts for designing and building work for them.

Similarly a Boston bank, having very poorly equipped banking accommodations, and being unable to find other suitable quarters in a desirable location, being so cramped for room that cashier, bookkeeper, receiving teller and paying teller were all within the radius of a ten-foot circle, voted at an expense of three thousand dollars to rent a directors' room in the sixth story of the building. The Office, Bank and Library Company submitted plans for remodelling the fittings and systems. The directors immediately rescinded their vote to rent the upstairs directors' room and let the contract for new fittings, which cost less than three thousand dollars. Within six months after the work was completed the deposits had grown nearly half a million dollars, a large part of this being directly due to the attractiveness and convenience for customers in the remodelled quarters. In these days people object to doing business with a bank where they have little privacy or convenience.

Where so much money is spent on buildings whose exteriors are so beautiful, it is nothing short of marvelous that so many new bank buildings are, for the practical purposes of the bank, inconvenient and unsatisfactory when they are finished, and in nearly every instance because the bank officials proceeded upon the supposition that the systems, devices and conveniences which had been in use for many years in the old building would suffice for the new. Another fact no less strange is that the majority of bank men know very little of the most modern methods and arrangements of the the best planned and methodized banking institutions. This is true because the bank Cashier and President, perhaps more than any other men, are obliged to be at their posts daily, and have all they can do without studying new methods, systems and conveniences, so that when they obtain a short vacation their first effort is to get as far away as possible from banking work in order that they may have their much-needed rest, instead of spending time visiting other banks.

The policy of this novel company is that its experts shall seek carefully to learn at least one thing from every bank they visit, no matter how many hundreds may have been seen, or how many years they have been studying these things, and then give each bank the benefit of this combined study, experience and observation.

NEW CASHIER OF THE NATIONAL BANK OF THE REPUBLIC, CHICAGO.

At a meeting of the board of directors of the National Bank of the Republic, Chicago, held on December 31, Robert M. McKinney was elected Cashier of the bank to succeed J. H. Cameron, resigned.

Mr. McKinney has been identified with the National Bank of the Republic almost

R. M. McKinney.

from the time of its organization, occupying the position of Assistant Cashier for ten years.

Before coming to Chicago he was for a number of years engaged in the banking business at his former home in Burlington, Iowa.

In a large measure the careful attention received by the depositors of the National Bank of the Republic is due to his activity in looking after their requirements.

Mr. McKinney is regarded as one of the most able bank officers and managers in Chicago, and is of a genial temperament.

The directors of the bank consider themselves fortunate in having such an efficient and experienced gentlemen to occupy the important position of Cashier.

The promotion of Mr. McKinney called for the election of an additional Cashier, and at the annual meeting O. H. Swan was elected to this office.

Mr. Swan has been identified with the banks of Chicago for the past seventeen years. His first experience was obtained in the National Bank of America in 1887. Seven years later he became identified with the National Bank of the Republic, and has successively filled all of the important positions since 1894, and his promotion to the office of Assistant Cashier is a recognition of his valuable services to the bank.

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—The stockholders of the Bankers' Trust Company have elected these directors for three years: Stephen Baker, A. Barton Hepburn, Edgar L. Marston, George W. Perkins, Daniel G. Reid, and Francis H. Skelding. The statement of the Bankers' Trust Company, issued on December 31, shows at the end of nine months' business deposits of considerably over $10,000,000; total resources of approximately $11,648,000, and undivided profits of $57,064. The capital and paid-in surplus of the company are $1,000,000 and $500,000 respectively.

—Edwin Hawley, who recently secured control of the Merchants' Trust Company, through the purchase of the holdings of Frank J. Gould and other interests, was elected President of the company on January 20, Edwin Langdon retiring.

The vacancies in the board caused by the resignations of Mr. Gould and H. B. Henson and Guy Phillips were filled by the election of Thomas L. Feltner, Jacob L. Phillips and Jas. E. Reynolds. Frank C. Travers and Henry Sampson were re-elected. F. P. Davis was elected Secretary and Treasurer. Jacob L. Phillips was made second Vice-President.

—Negotiations are reported to be in progress for consolidating the Central National Bank and the National Citizens' Bank.

— At the recent annual meeting of the Guardian Trust Co., Ernest C. Brown, David B. King and Carroll P. Bassett resigned as trustees and were succeeded by W. D. Stratton, Bird M. Robinson, E. K. Stallo and Henry Seigel.

—William Woodward, William Duncan and William Logan have been elected additional directors of the Hanover National Bank—the number of directors being increased from eighteen to twenty-one.

—J. Pierpont Morgan recently resigned as Vice-President of the National Bank of Commerce, remaining a member of the board of directors.

—George S. Hickok resigned as Cashier of the National Park Bank at the recent annual meeting of the shareholders, and was succeeded by Edward J. Baldwin, heretofore Assistant Cashier.

Mr. Hickok, who is now seventy-five years of age, has been with the bank since it was organized, in 1856, and has been Cashier for about sixteen years. His resignation was due to age and some impairment of health. He will continue to be a director of the bank.

M. H. Ewer succeeds Mr. Baldwin as Assistant Cashier.

Mr. Baldwin's service as Assistant Cashier extended over a period of twenty-seven years, and he is thoroughly qualified for the responsible position to which he has been promoted.

—George W. Spence, who has been Cashier of the People's Bank, Brooklyn, for some time, was elected President at the annual meeting on January 12, succeeding James Gascoine, deceased.

Mr. Spence was born in Brooklyn thirty-nine years ago, and has always resided there. He has been connected with the People's Bank since 1894, coming from the Chase National Bank in New York.

—The American Surety Company, after paying claims amounting to $518,168.43 in the past year, had $403,137.79 of income remaining, which was apportioned as follows: dividends at eight per cent., $200,000; to the reserve, $142,379.77; to surplus, $60,758.02. Net premium receipts were, $1,304,609.63, an increase of $143,196.63 compared with the previous year. These receipts were derived solely from premiums on surety bonds, the company transacting no other class of business.

The capital of the company is $2,500,000, surplus $1,000,000 and the amount reserved for unearned premiums and contingent claims $1,099,116.05. Total resources on December 31, 1903, were $5,661,245.97, compared with $5,677,436.88 on December 31, 1902.

—On the evening of January 14 the New York Chapter of the American Institute of Bank Clerks held a meeting at 98 Fifth avenue. Prof. Joseph F. Johnson, Dean of the New York University School of Commerce, spoke on "Modern Economy," and Walter B. Seymour, of Brown Bros. & Co., read a paper on "Investment Securities."

—William A. Lamson, for several years National bank examiner for Philadelphia and Delaware, has resigned his position to engage in business for himself, at 10 Wall street, where he will deal in high-grade commercial paper and investment securities.

—Reports of the trust companies in the city for the six months ending with December 31 show that as compared with the statement of June 30 deposits at interest decreased $118,339,-185, and loans decreased $117,175,977. These changes are believed to be due principally to the liquidation in securities that has been in progress for some time. As the cash which the trust companies have on deposit with other institutions increased $4,406,485 in the period under consideration, the position of the companies is relatively stronger than in June.

—J. Edward Simmons has been elected president of the Clearing-House Building Company, to succeed the late George G. Williams, and George F. Baker has been elected a director, to take the place of Mr. Williams on the board.

NEW ENGLAND STATES.

Boston —All but two of the thirty-five National banks of Boston held their annual meetings January 12. The total number of banks at present is three less than last January, because of the consolidation of the Massachusetts National with the First National, the Suffolk with the Second National and the Hamilton National with the Fourth National. The combined capital of the National banks in the city now is $30,100,000. A year ago it was $2,400,000 greater. The difference is due to the mergers.

—At the last session of the Legislature a commission was appointed to revise the laws relating to trust companies. This commission has submitted bills to the present Legislature, providing that hereafter trust companies shall be granted charters by executive authority instead of being incorporated by the Legislature; also that trust companies shall keep a reserve of fifteen per cent. on all deposits payable on demand or after ten days' notice.

Marlborough, Mass. –After twenty-five years of faithful service as Cashier of the People's National Bank, John L. Stone tendered his resignation on February 1, and was succeeded by Stillman R. Stevens, Assistant Cashier, who has been with the bank for more than twenty years.

Holyoke, Mass.—At a meeting of the shareholders of the Hadley Falls National Bank, January 18, Joseph A. Skinner, treasurer of the Wm. Skinner Manufacturing Co., of Holyoke, was elected President of the bank, succeeding Chas. B. Prescott.

MIDDLE STATES.

Philadelphia.—Morton McMichael was recently elected President of the First National Bank, succeeding George Philler, resigned. Mr. McMichael is one of the oldest bank officers in the United States, and has been with the First National Bank since its organization in 1863, first as Cashier and afterwards Cashier and Vice-President, and later as Vice-President only. He was formerly president of the American Bankers' Association.

A Veteran Bank Cashier Retires.—After serving as Cashier of the Farmers' National Bank of Rome, N. Y., since 1875, the date of its organization, Samuel Wardwell, aged eighty-one, retired on January 12. He was succeeded by George G. Clarabut, who was Assistant Cashier.

Baltimore.—The annual statement of the United States Fidelity and Guaranty Co., rendered at the close of last year, showed total assets amounting to $3,184,818.56. In addition to the capital of $1,700,000, the company has surplus and reserve accumulated to the amount of $1,298,916.30. Starting in 1897, the premiums written in that year were $109,961.25, and the surplus and reserve $53,012. These items have steadily increased, the premiums written in 1903 being $1,955,267.17 and the surplus and reserve accumulated $1,298,916.30. This surplus reserve does not represent the sale of stock at a large premium, all of it (except $80,000) having been derived from earned profits.

During the past seven years the company has paid to its clients $1,732,914.37 for losses incurred. The company does not receive money on deposit or pay interest on balances, deeming such practices not consistent with the business of a surety company.

John R. Bland is President of the company, and its remarkable success has been due, in great part, to his energy and financial foresight. The other officers are: first Vice-President,

J. Kemp Bartlett; second Vice-President, Edward J. Penniman; third Vice-President, Andrew Freedman; Secretary-Treasurer, George R. Callis; General Counsel, Isidor Rayner.

—On January 12 the stockholders of the Commercial and Farmers' National Bank agreed on a plan of reorganization made advisable by the carrying of overdue paper and investment of over $250,000 in a new building. It was decided to return to the old building, in which the bank did business for fifty years.

The financial plan reduces the capital stock from $512,560 to $256,280, a cut of fifty per cent. This stock is surrendered for cancellation. Then the stock of the bank is increased to $500,000, and the additional stock is to be sold to new interests.

George R. Willis and Charles W. Field were elected directors to succeed Lawrence B. Kemp, the former President, and Lloyd Jackson. Charles E. Rieman is President now, but William A. Mason, the Bank Examiner in charge, will, it is said, be tendered the Presidency under the reorganization. Mr. Mason says the bank has wiped out every questionable asset and is now down to rock-bottom on its investments.

New Jersey Bankers' Association.—It is announced that the annual convention of the New Jersey State Bankers' Association will be held at Atlantic City, February 26.

Batavia, N. Y.—Extensive improvements have been made in the interior and exterior of the First National Bank. These changes not only greatly add to the attractive appearance of the bank, but also furnish increased facilities and conveniences for the employees and customers of the bank.

Paterson, N. J.—The First National Bank moved into its new building January 4. The building covers a lot 60 by 100 feet and is four stories, the three upper floors being rented for offices. In its exterior appearance the building is tasteful and substantial, being built of granite and Indiana limestone, while the interior equipment contains everything essential to the safe and convenient despatch of business, and the furnishings and decorations are pleasing in design and execution.

The First National Bank was organized March 16, 1864, with $100,000 capital. Its present capital is $500,000 and surplus and profits $643,389. Deposits exceed $2,000,000.

The present officers of the First National are: Edward T. Bell, President; John Reynolds, Vice-President; Robert J. Nelden, Cashier; Whitefield W. Smith, Assistant Cashier.

Larchmont, N. Y.—The third annual meeting of the shareholders of the Larchmont National Bank was held at the bank at Larchmont, N. Y., January 12. With the exception of Charles H. Dale, who retired and was succeeded by Alfred Marshall, the shareholders re-elected the previous board of directors, consisting of George E. Ide, Walter B. Manny, William M. Barnum, William H. Campbell, Frank A. Moore and William Murray.

At a directors' meeting, held January 15, President George E. Ide and Cashier Samuel R. Bell were re-elected, and Charles H. Dale was succeeded by Walter B. Manny as Vice-President.

The Larchmont National Bank has purchased a site in the centre of Larchmont for its new building, which will have the latest equipment, and which the bank expects to occupy during the coming summer.

SOUTHERN STATES.

Dallas, Tex.—The new Texas National Bank opened for business January 2 with $250,000 capital. At the close of the first day it was found that $421,318 had been deposited. Officers of the bank are: President, W. C. Padgitt, for many years one of the leading business men of Dallas; Vice-President and Cashier, J. W. Blake, one of the best-known bankers in Texas; W. G. Scarff and D. R. Grove are also Vice-Presidents.

Alabama Bank Examiner.—J. Rutledge, the newly-appointed State Bank Examiner for Alabama, entered upon the duties of his office the first of the year, when the new law took effect.

WESTERN STATES.

Chicago.—Fred I. Kent, formerly president of the Chicago Chapter of the American Institute of Bank Clerks, and who was permanent chairman of the first convention of chapters, has been appointed assistant manager of the foreign exchange department of the First National Bank.

—J. H. Cameron, formerly Cashier of the National Bank of the Republic, is now Vice-President of the Hamilton National Bank.

—Ralph C. Wilson was recently elected Assistant Cashier of the Bankers National Bank, succeeding Charles Ewing, resigned. Mr. Wilson has been discount clerk of the Bankers National for a number of years and has had other banking experience. He is president of the Chicago Chapter of the American Institute of Bank Clerks.

Cleveland, Ohio.—The proposal to merge the Colonial National with the Union National Bank, mention of which has been made heretofore, was adopted by the shareholders of these

banks at the recent annual meeting. By the terms of the merger the name of the Union National Bank is to be retained, and its capital raised to $1,600,000.

--The merger of the Bankers' National Bank with the Euclid-Park National Bank is announced.

St. Louis, Mo.—The annual statement of the Mississippi Valley Trust Company, which appears elsewhere in this issue of the MAGAZINE, forcibly illustrates the solidity, financial resources and conservative management of the financial institutions of this city.

This report covers the operations of the calendar year 1903. A recapitulation of its leading features will prove interesting and instructive.

The resources of the company are $25,728,922.57. The capital stock paid in, $3,000,000, and the surplus fund, $3,500,000, remain at the same figure as for the calendar year 1902, but the item of undivided profits has increased to $1,745,098.72, a gain of $270,695.58 during the year. In 1903 dividends were paid to stockholders at the rate of sixteen per cent., as compared with a twelve per cent. disbursement in 1902, the total amount thus paid being $480,000 in 1903 as against $360,000 in 1902. The actual cash in the company's vaults December 31, 1903, was $1,084,804.31, while the item of cash, checks, sight drafts, and due from other trust companies and banks stands at $5,842,480.80. The total time, savings and checking deposits amount to $16,219,538.80.

The Mississippi Valley Trust Company now ranks among the world's great financial institutions, and the ability and conservatism of its management have gained it an enviable position and standing abroad as well as in the United States. A striking evidence of this fact was shown in its selection by the British Government as the Fiscal Agent of the Royal British Commission to the Louisiana Purchase Exposition. This is in effect a compliment of the highest nature from the most powerful and financially conservative nation of Europe.

—H. P. Hilliard, Cashier of the Mechanics' National Bank, was also made a Vice-President at the recent annual meeting, and J. S. Calfee was elected Assistant Cashier.

Oklahoma Banks Prospering.—Under date of January 8 Harry W. Pentecost, Assistant Commissioner of Banking for Oklahoma Territory, sends to THE BANKERS' MAGAZINE a statement showing the condition of the Territorial and National banks of Oklahoma—the date for the National banks being December 10 and the State banks December 3. There were eighty-seven National banks reporting with resources amounting to $19,903,443. They had thirty per cent. reserve, or just double what the law requires. The 244 Territorial banks reported $11,585,211 total resources and forty-seven per cent. reserve, against twenty-five per cent. required. Total deposits in all classes of banks in Oklahoma are $22,456,510.26, or $37 for each inhabitant, and equal to nearly one-third the entire taxable wealth. The deposits are now the largest ever reported.

Decorah, Iowa.—C. J. Weiser, President of the Winneshiek County State Bank, of this place, writes to the MAGAZINE that E. W. D. Holway, who has served the bank for a number of years in the various capacities of messenger, bookkeeper, Cashier and Vice-President, expects now to devote a portion of his time to scientific work. He has presented his botanical library of several hundred volumes to the State University of Minnesota. Mr. Holway has traveled widely in connection with his botanical work, visiting many countries on both sides of the Atlantic. He expects soon to explore New Zealand, Australia and other points in that part of the world. He retains his interests in the bank and will continue as Vice-President, devoting his time to the business as occasion demands.

Ray Alyger, who has been with the bank over eight years, succeeds Mr. Holway as Cashier.

El Paso, Ill.—To commemorate the first twenty years of the existence of the First National Bank here, F. B. Stitt, Cashier of the bank, has prepared a concise, interesting history of the institution, and this has been published in appropriate form, illustrated with a number of portraits of past and present officers and directors.

The bank began business in July, 1883, and has had a prosperous career. Deposits rose steadily from $68,000 in 1884 to $203,000 in 1891, and with the approach of the financial crisis of this period there was some falling off, the decline culminating in 1896, the year of the great silver agitation. But from this time on there was a rapid gain, and by 1899 the figures reached $230,000, and at the close of 1903 the deposits amounted to $345,000. Total gross earnings for twenty years have been $254,000 on the $50,000 capital; total surplus and profits, $33,500.

PACIFIC SLOPE.

Los Angeles, Cal.—The Security Savings Bank recently absorbed the business of the Main Street Savings Bank. There will be no change in the officers of the Security Savings Bank, but the capital has been increased from $200.000 to $300,000 and the surplus and undivided profits increased to $200,000. Deposits of the Security Savings Bank were $5,800,000, to which about $800,000 will be added by the consolidation, making this institution the largest of its kind in the State south of San Francisco.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

Applications to Organize National Banks Approved.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice:

First National Bank, Greens Fork, Ind.; by F. M. Taylor, et al.

First National Bank, Colfax, Iowa; by W. W. Lyons, et al.

First National Bank, Broken Arrow, I. T.; by F. S. Hurd, et al.

First National Bank, Westhope, N. D.; by Julius Rosholt, et al.

First National Bank, New Roads, La.; by E. S. Woodfin, et al.

State National Bank, Albuquerque, N. M.: by H. P. Branham, et al.

First National Bank, Le Roy, Minn.; by W. M. Frank, et al.

First National Bank, Bicknell, Ind.; by Noah C. Bainum, et al.

First National Bank, Violet, Okla.; by Reid Riggins, et al.

First National Bank, Albany, Mo.; by R. L. Whaley, et al.

First National Bank, Covington, Texas: by J. Will Gilliam, et al.

First National Bank, Meade, Kans.; by Geo. B. Cones, et al.

First National Bank, Logan, W. Va.; by W. J. Crutcher, et al.

First National Bank, Lutcher, La., by E. S. Woodfin, et al.

First National Bank, Wyndmere, N. D.; by Geo. C. Ottis, et al.

Caldwell National Bank, Caldwell, N. J.: by Walter P. Lindsley, et al.

Farmers' National Bank, White, S. D.: by R. H. Holden, et al.

First National Bank, Poteau, I. T., by James H. Myers, et al.

First National Bank, Kyle, Texas: by Otto Groos, et al.

First National Bank, Edinburg, N. D.; by C. A. Jeklum, et al.

First National Bank, Aledo, Ill.; by T. A. Vernon, et al.

Farmers and Merchants' National Bank, Comanche, Texas; by N. E. Palmer, et al.

Moffett Bros. National Bank, Larned, Kans.: by A. H. Moffett, et al.

Farmers and Merchants' National Bank, Mt. Vernon, Ohio; by Lewis B. Houck, et al.

First National Bank, Portland, Ind.; by John A. M. Adair, et al.

Farmers and Merchants' National Bank, Olney, Va.; by John S. Parsons, et al.

Gaston National Bank, Dallas, Texas; by W. H. Gaston, et al.

First National Bank, Clinton, Minn.; by J. L. Erickson, et al.

Louisa County National Bank, Mineral, Va.: by James L. Shelton, et al.

First National Bank, Lewisville, Texas, by J. W. Spencer, et al.

First National Bank, Troy, Kans.; by E. T. Letson, et al.

Irvington National Bank, Irvington, N. J.: by Edward P. Alling, et al.

National Bank of Poteau, Poteau, Ind. Ter.; by Edward McKenna, et al.

First National Bank, Linn Grove, Iowa; by Chas. B. Mills, et al.

Brenham National Bank, Brenham, Texas: by C. L. Wilkins, et al.

Louisa National Bank, Louisa, Ky.; by M. F. Conley, et al.

First National Bank, New Holland, Ohio: by Chas. H. May, et al.

First National Bank, Belle Plaine, Minn.; by G. G. Fuller, et al.

First National Bank, Coolidge, Texas; by J. E. Jensen, et al.

Citizens' National Bank, Paintsville, Ky.; by James F. Bailey, et al.

First National Bank, Sioux Rapids, Iowa; by F. H. Helsell, et al.

First National Bank, Mount Airy, Md.: by Chas. A. Runkles, et al.

Washington County National Bank, Granville, N. Y.: by Chas. S. Northup, et al.

First National Bank, Portsmouth, Va.: by Robert N. Harper, et al.

Application for Conversion to National Banks Approved.

Tamaqua Banking and Trust Co., Tamaqua, Pa.: into Tamaqua National Bank.

Bank of Trenton, Tenn.; into First National Bank.

Bank of Louisa, Ky.: into First National Bank.

Bank of Madison, Fla.; into First National Bank.

NATIONAL BANKS ORGANIZED.

7070—First National Bank, Alvin, Texas. Capital, $25,000; Cas., Robert Ingram.

7071—Citizens' National Bank, Ada, Ind. Ter. Capital, $50,000; Cas., F. O. Harriss.

7072—First National Bank, Dallas, Ore. Capital, $25,000; Pres., W. D. McDonald; Cas., Arthur McPhillips.

7073—First National Bank, Oxford, Ala. Capital, $25,000; Pres., D. C. Cooper.

7074—First National Bank, Kalida, Ohio. Capital, $25,000; Pres., John F. Kimmerle; Vice-Pres., Jacob Best; Cas., W. C. Burkhart; Asst. Cas., Joseph W. Miller.

7075—National Exchange Bank, El Paso, Tex. Capital, $100,000; Pres., H. C. Myles; Vice-Pres., Hugo J. Donan; Cas., John M. Wyatt.

7076—First National Bank, Cecil, Penn. Capital, $25,000; Cas., Ignaz Stauffer.

7077—White Hall National Bank, White Hall, Ill. Capital, $50,000; Pres., Gilbert S. Vosseller; Vice-Pres., Seth N. Griswold; Cas., Richard S. Worcester; Asst. Cas., Harry Griswold.

7078—Christiana National Bank, Christiana, Penn. Capital, $60,000; Pres., Mahlon B. Kent; Vice-Pres., Cyrus G. Barr; Cas., Evan L. Ambler.

7079—First National Bank, Momence, Ill. Capital, $50,000; Pres., Ed. Chapman; Vice-Pres., Wm. P. Watson; Cas., J. J. Kirby; Asst. Cas., Jno. L. Cleary.

7080—People's National Bank, Long Prairie, Minn. Capital, $25,000; Pres., Merrill C. Tifft; Cas., John J. Reichert.

7081—First National Bank, Ulen, Minn. Capital, $25,000; Pres., C. J. Lofgren; Vice-Pres., A. L. Hanson; Cas., L. Lofgren.

7082—First National Bank, Rocky Ford, Colo. Capital, $50,000; Pres., T. H. Stratton; Vice-Pres., Chas. Recker; Cas., J. R. Cunningham; Asst. Cas., G. H. Harris.

7083—Stockmen's National Bank, Casper, Wyo. Capital, $50,000; Pres., C. H. Townsend; Vice-Pres., Frank Wood; Cas., Percy Shallenberger.

7084—Selma National Bank, Selma, Ala. Capital, $150,000; Pres., John Carraway; Cas., R. P. Anderson.

7085—Tulsa National Bank, Tulsa, Ind. Ter. Capital, $25,000; Pres., Clifton George; Cas., S. F. Jones.

7086—National Bank of Middlesboro, Middlesboro, Ky. Capital, $50,000; Pres., R. C. Ford; Vice-Pres., L. L. Robertson; Cas., W. C. Sleet.

7087—First National Bank, River Falls, Wis. Capital, $25,000; Pres., F. H. Wellcome; Vice-Pres., H. L. North; Cas., P. M. Reagan.

7088—First National Bank; Villa Grove, Ill. Capital, $25,000; Pres., S. C. Henson; Cas., W. P. Anderson.

7089—Lyon County National Bank, Rock Rapids, Iowa. Capital, $75,000; Pres., O. P. Miller.

7090—Rices Landing National Bank, Rices Landing, Penn. Capital, $25,000; Cas., J. E. Wood.

7091—First National Bank, Wauseon, Ohio. Capital, $25,000; Pres., H. Hoebler; Vice-Pres., E. S. Davoll; Cas., S. O. Rothfuss.

7092—First National Bank, New Prague, Minn. Capital, $25,000; Pres., F. H. Wellcome; Vice-Pres., E. E. Novak; Cas., Jos. T. Topka; Cas., Joseph Rachac.

7093—Alexandria National Bank, Alexandria, Va. Capital, $100,000; Pres., C. E. Nicol; Cas., T. C. Smith.

7094—First National Bank, Liberal, Mo. Capital, $25,000; Pres., J. H. Conrad; Vice-Pres., J. M. Wilson; Cas., D. B. Horton; Asst. Cas., A. Dimond.

7095—Colfax National Bank, Colfax, Wash. Capital, $120.000; Pres., Alfred Coolidge; Vice-Pres., Aaron Kuhn and A. F. McClaine; Cas., Chas. E. Scriber.

7096—Citizens' National Bank, Daingerfield, Texas. Capital, $30,000; Pres., W. T. Connor, Jr.; Cas., J. W. Phillips.

7097—First National Bank, Cullum, Ala. Capital, $25,000; Pres., G. Scott Leeth; Vice-Pres., P. B. Parker; Cas., O. M. Fisher; Asst. Cas., R. J. York.

7098—German-American National Bank, Mason, Texas. Capital, $25,000; Pres., John Lemburg, Sr.; Vice-Pres., J. W. White; Cas., F. W. Lemburg; Asst. Cas., H. C. Durst.

7099—First National Bank, Bennington, Ind. Ter. Capital, $25,000; Pres., R. L. Williams; Cas., W. O. Byrd.

7100—First National Bank, Medelia, Minn. Capital, $25,000; Pres., F. H. Wellcome; Vice-Pres., C. S. Christensen; Cas., A. H. Benton; Asst. Cas., L. J. Olson.

7101—First National Bank, Glendive, Mont. Capital, $25,000; Pres., C. A. Thurston; Vice-Pres., Thos. F. Hagan; Cas., E. B. Clark; Asst. Cas., J. H. Miskimen.

7102—Citizens' National Bank, Olean, N. Y. Capital, $100,000; Pres., C. E. Bell; Vice-Pres., A. Everett Smith; Cas., Morell E. Loveland; Asst. Cas., J. O. Clark.

7103—National Bank of Pond Creek, Pond Creek, Okla. Capital, $25,000; Pres., J. H. Decker; Vice-Pres., A. Barkley; Cas., E. G. Palmer; Asst. Cas., J. W. Bird.

7104—National Bank of Poteau, Poteau, Ind. Ter. Capital, $25,000; Pres., Edward McKenna; Cas., W. A. Steele.

7105—Farmers and Merchants' National Bank, Comanche, Texas. Capital, $50,000; Pres., W. H. Montgomery; Vice-Pres., J. T. Williams; Cas., E. E. Anthony; Asst. Cas., N. E. Palmer.

7106—First National Bank, Munday, Texas. Capital, $25,000; Pres., W. A. Baker; Cas., R. C. Montgomery.

7107—Maiden Lane National Bank, New York, N. Y. Capital, $250,000; Pres., Robert D.

Kent; Cas., Charles Belling; Asst. Cas., Joseph T. Hall.

7108—First National Bank, Aurelia, Iowa. Capital, $25,000; Pres., James F. Toy; Vice-Pres., W. P. Miller; Cas., A. J. Whinery; Asst. Cas., W. H. Bischel.

NEW BANKS, BANKERS, ETC.

ALABAMA.

BIRMINGHAM — Citizens' Savings Bank and Trust Co.; capital, $50,000; Pres., H. H. Mayberry; Vice-Pres., B. F. Roden; Treas., J. B. Cobbs; Sec., Chas. G. Davidson.

HARTSELLS—Bank of Hartsells; capital, $15,000; Pres., J. D. Pullen; Vice-Pres., J. H. Crosbie; Cas., John S. Mitchell; Asst. Cas., John D. Flautt.

HEADLAND—Farmers and Merchants' Bank; capital, $15,000; Pres., W. S. Oates; Vice-Pres., W. W. Kirkland; Cas., W. P. Hardwick.

MONTGOMERY—Caldwell, Ward & Co.; Chas. G. Abercrombie, Mgr.

SELMA—Caldwell & Ward; Chas. A. McKinnon, Mgr.

ARKANSAS.

DERMOTT—Dermott Bank; capital, $15,000; Pres., H. Thane; Vice-Pres., E. P. Remley; Cas., W. D. Trotter.

CALIFORNIA.

BERKELEY—Merchants' Bank; capital, $10,000; Pres., F. S. Page; Vice-Pres., Frank Esmond; Asst. Cas., I. B. Donaldson.

REDWOOD CITY—San Mateo County Savings Bank; capital, $50,000; Pres., A. J. Marcus; Vice-Pres., Geo. H. Rice; Cas., L. R. Behrens; Asst. Cas., F. K. Towne.

WHITTIER — Home Savings Bank; capital, $12,500; Pres., O. M. Sonden; Vice-Pres., A. H. Dunlap; Cas., A. C. Johnson.

ILLINOIS.

BURNSIDE — State Bank; capital, $25,000; Pres., S. D. Stoner; Vice-Pres., R. C. Gibson; Cas., F. A. Strickler.

CHICAGO—First Trust and Savings Bank; capital, $1,000,000; Pres., James B. Forgan; Vice-Pres., David R. Forgan; Vice-Pres. and Manager, E. K. Boisot; Asst. Treas., R. D. Forgan; Asst. Sec., D. V. Webster. —— Garfield Bank; capital, $10,000; Cas., Henry J. Kormann.

ELMHURST—Elmhurst State Bank; capital, $30,000; Pres., Adam S. Glos; Vice-Pres., Philip Longguth; Cas., Henry C. Schumacher.

HINCKLEY—Hinckley State Bank; capital, $25,000; Pres., Wm. Von Ohlen; Vice-Pres., Geo. S. Potter; Cas., J. B. Pogue; Asst. Cas., L. J. Van Alstyne.

SEATONVILLE – Farmers and Miners' Bank; capital, $100,000; Pres., Alfred E. Case; Vice-Pres., F. R. Bryant; Cas., D. K. Middleton.

STERLING—E. Le Roy Galt.

INDIANA.

AUBURN—Savings Loan and Trust Co.; capital, $25,000; Pres., Price D. West; Vice-Pres., Francis E. Hines; Sec., Charles M. Brown.

NEWTOWN—Newtown Bank; capital, $10,000; Pres., Horace Gray; Vice-Pres., S. T. Ogle; Cas., A. E. Harris.

PARIS CROSSING—State Bank; capital, $25,000; Pres., S. L. Voight; Cas., H. N. Stringfellow.

INDIAN TERRITORY.

OKEMAH—Citizens' Bank and Trust Co.; capital, $15,000; Pres., Wm. H. Dill; Cas., R. A. Dill.

IOWA.

BEACONSFIELD — Farmers' Savings Bank; capital, $10,000; Pres., Wm. Robinson; Vice-Pres., Michael McGraw; Cas., F. M. Webb; Asst. Cas., A. R. Buchanan.

GALVA—Ida County Bank; Pres., George R. Long; Vice-Pres., W. E. Long; Cas., F. H. Schleiter; Asst. Cas., A. E. Watts.

HAMBURG — Merchants' Exchange Bank; Pres., R. C. Campbell; Cas., J. F. Baldwin.

LINN GROVE Security Bank; Pres., C. B. Mills; Vice-Pres., J. H. McCord; Cas., Adelbert Tymeson, Jr.

VINCENT—Vincent Savings Bank (successor to Vincent Bank; capital, $10,000; Pres., J. B. Schmoler; Vice-Pres., H. Schmoler; Cas., G. C. Anderson; Asst. Cas., N. F. Anderson.

KANSAS.

GALESBURG - Galesburg State Bank; capital, $10,000; Pres., G.W. Hawk; Vice-Pres., J. N. Shaw; Cas., S. M. Sholl.

KENTUCKY.

DYCUSBURG—People's Bank; capital, $7,500; Pres., Charles Smith; Vice-Pres., M. B. Charles; Cas., A. T. Brock.

FRANKLINTON—Franklinton Branch of Deposit Bank of Eminence; Cas., David Chilton.

ISLAND—Island Deposit Bank; capital, $15,000; Pres., J. W. Patterson; Vice-Pres., R. P. Rowe; Cas., W. B. Rowe.

LA CENTER—Bank of La Center; capital, $7,500; Pres., J. M. Skinner; Vice-Pres., S. T. Payne; Cas., H. M. Massie.

MORGAN — Farmers' Bank; capital, $8,500; Pres., J. W. Ewing; Vice-Pres., W. H. Crane; Cas., W. M. Northcutt.

TOLU—Farmers and Merchants' Bank; capital, $15,000; Pres., P. B. Croft; Vice-Pres., J. B. Perry; Cas., Edward F. Smith.

VANCEBURG—Citizens' Bank; capital, $10,500; Pres., Ed. Willim; Cas., Geo. T. Willim.

LOUISIANA

JONESBORO—Jackson Parish Bank; capital,

$12,500; Pres., W. R. Lyman; Vice-Pres., W. C. McDonald; Cas., P. T. Lewis.

MICHIGAN.

GLADWIN—Gladwin County Bank; Pres., Wm. H. Atkin; Cas., Melvin H. Atkin; Asst. Cas., L. A. Goodwin.

LAKE ODESSA—Farmers and Merchants' State Bank; capital, $25,000; Pres., J. J. Eckardt; Vice-Pres., Geo. A. Weid; Cas., Samuel Velte.

LUM—Lum Exchange Bank; capital, $5,000; Pres., A. F. O'Brien; Cas., L. M. Carlton.

OWENDALE—Owendale Bank; capital, $25,-000; Pres., A. L. Wright; Vice-Pres., F. M. Merrick; Cas., M. J. Duffy.

MINNESOTA.

BETHEL—Bank of Bethel; capital, $5,000; Pres., M. R. Waters; Cas., Matthew Waters.

STORDEN—First State Bank: capital, $15,-000: Pres., W. J. Clark: Vice-Pres., D. Hedman: Cas., C. H. Ruhberg.

MISSISSIPPI.

LOUISVILLE—Bank of Louisville: capital; $10,000; Pres., Geo. Y. Woodward; Vice-Pres., G. W. E. Bennett; Cas., A. L. Jagoe.

MARKS—Riverside Bank; capital, $10,000: Pres., L. Marks; Vice-Pres., W. V. Turner; Cas., W. A. Cox.

WIGGINS—People's Bank; capital, $15,000; Pres., E. F. Ballard; Cas., M. O. O'Dorn.

YAZOO CITY—Delta Bank and Trust Co.; capital, $200,000; Pres., John Lear; Cas., T. F. Davis.

MISSOURI.

CARL JUNCTION—Citizens' Bank; capital, $10,000; Pres., H. L. Isherwood; Vice-Pres., W. T. Roney; Cas., James Banks.

KIMMSWICK—Bank of Kimmswick; capital, $10,000; Pres., G. H. Gerard; Vice-Pres., M. Zeigler; Cas., G. A. Wenom.

LA GRANGE—Farmers and Merchants' Bank; capital, $10,000; Pres., B. N. Crouch; Vice-Pres., A. Bryant; Cas., Geo. R. Davis.

LOCKWOOD—Farmers' State Bank; capital, $25,000; Pres., A. Lock; Vice-Pres., U. S. Keran; Cas., John M. Adams.

MARTINSVILLE—Bank of Martinsville; capital, $5,000; Pres., W. L. Magee; Vice-Pres., R. T. Baldwin; Cas., F. J. Wayman.

WELLSVILLE—Commercial Bank; capital, $15,000; Pres., W. T. Ellis; Vice-Pres., S. S. Cox; Cas., W. W. Barrett.

MONTANA.

MISSOULA—Missoula Trust and Security B'k; capital, $100,000; Pres., Frederick D. Whisler; Vice-Pres., O. S. Misick; Cas., John W. Hicklin.

NEBRASKA.

HOMER—Security State Bank; capital, $10,-000; Pres., Thomas Ashford, Jr.; Vice-Pres., John Ashford; Cas., W. H. Ryan; Asst. Cas., Geo. W. Ashford.

NEVADA.

CARSON CITY—Nye & Ormsby Co. Bank; capital, $100,000; Pres., T. L. Oddice; Vice-Pres., D. M. Ryan; Cas., A. J. Raycraft.

NORTH CAROLINA.

ROWLAND—Bank of Rowland; capital, $17,-000; Pres., Allen Edens; Vice-Pres., A. L. Bullock; Cas., W. F. Bristow.

OHIO.

DYESVILLE—People's Savings Bank Co.: capital, $25,000; Pres., Joseph Watson; Vice-Pres., E. B. Hoopman; Cas., Geo. A. Beckett; Asst. Cas., W. A. Clark.

MACKSBURG—Commercial Bank Co.; capital, $25,000; Pres., H. C. Smithson; Vice-Pres., C. S. Blakeslee; Cas., John C. Beckett.

NORWOOD—Norwood Savings Bank and Trust Co.; capital, $50,000; Pres., C. E. Page; Sec. and Treas., Clement F. Turner.

SALINEVILLE—People's Banking Co.; capital, $25,000; Pres., James H. Dodds; Vice-Pres., W. J. Binsley; Cas., H. E. Blazer; Asst. Cas., John S. McLean.

OKLAHOMA.

APPALACHIA—Bank of Appalachia; capital, $10,000; Pres., B. Cooley; Vice-Pres., S. S. Lemley; Cas., O. T. Streets; Asst. Cas., C. P. Osburn.

FAXON—Bank of Comanche County; capital, $5,000; Pres., W. H. Allder; Vice-Pres., Geo. M. Wilson; Cas., C. C. Allder.

MAUD—First State Bank; capital, $10,000; Pres., P. H. Cooper; Vice-Pres., Alfred Main; Cas., E. H. Bond.

SOUTH CAROLINA.

GEORGETOWN—People's Bank; capital, $75,-000; Pres., J. B. Steele; Cas., H. W. Fraser.

SOUTH DAKOTA.

OLDHAM—First State Bank; capital, $10,000; Pres., B. F. Cords; Vice-Pres., M. S. Maxam; Cas., A. B. Maxam.

TENNESSEE.

STANTON—Stanton Bank; capital, $15,000; Pres., F. G. Rawlins; Vice-Pres., Howell Taylor; Cas., J. K. Gibson.

TEXAS.

BLANKET—Continental Bank and Trust Co. (branch of Fort Worth); Cas., A. M. Young; Asst. Cas., Wilmot T. Smith.

BLUE RIDGE—Continental Bank and Trust Co. (branch of Fort Worth); Asst. Cas., K. M. Roach.

LIBERTY—Liberty County Bank; Pres., Geo. P. Zeiss; Cas., W. J. Zeiss.

UTAH.

VERNAL—W. P. Colthorp & Co.; capital, $25,-000; Pres., S. M. Browne; Vice-Pres., W. P. Colthorp; Cas., N. J. Meagher.

VIRGINIA.

COURTLAND—People's Bank; capital, $10,000; Pres., Wm. Shands; Vice-Pres., Franklin P. Pope; Cas., James E. Sebrell.

WASHINGTON.

BLAINE—Citizens' Bank; capital, $5,000; Pres., J. J. Lund.

CHEHALIS—Security State Bank; capital, $15,000; Pres., J. W. Reynolds; Vice-Pres., C. W. Long; Cas., Arthur S. Cory.

CLEALUM—James A. Kellogg; Cas., August A. Sasse.

PRESCOTT—Bank of Prescott; capital, $5,000; Cas., W. O. Palmer; Asst. Cas., J. A. Palmer.

WEST VIRGINIA.

JACKSONBURG—Bank of Jacksonburg; capital, $10,000; Pres., L. E. Lantz; Vice-Pres., Ezra Hays; Cas., H. M. Sartelle.

CANADA.

NORTHWEST TERRITORY.

MOOSE JAW—Canadian Bank of Commerce: Mgr., R. A. Rumsey.

BRITISH COLUMBIA.

LADNER—Royal Bank of Canada.

VICTORIA—British-America Trust Co.: R. C. E. Milne, Mgr.

NOVA SCOTIA.

AMHERST—Royal Bank of Canada.

CHANGES IN OFFICERS, CAPITAL ETC.

ALABAMA.

ENTERPRISE—Enterprise Banking Co.; W. C. O'Neal, Pres., deceased.

CALIFORNIA.

LOS ANGELES—Southwestern National Bank; E. J. Marshall, Vice-Pres. —Main Street Savings Bank; absorbed by Security Savings Bank, capital increased to $200,000.

SAN JOSE—First National Bank; Jos. D. Radford, Pres. in place of Geo. M. Bowman; S. F. Leib, Vice-Pres. in place of J. D. Grant; Paul Furst, Cas. in place of Jos. D. Radford; no Asst. Cas. in place of Paul Furst.

CONNECTICUT.

DANIELSONVILLE—Windham County National Bank (in hands of Receiver, Dec. 22; authorized to resume business Jan. 15); J. A. Atwood, Pres. in place of C. S. Burlingame; Timothy E. Hopkins, Vice-Pres.; N. D. Prince, Cas.

NORWALK—Norwalk Savings Society: Geo. E. Miller, Sec., deceased.

FLORIDA.

JACKSONVILLE—National Bank of Jacksonsonville; F. R. De Saussure, Cas.

PENSACOLA—American National Bank; W. C. O'Neal, Pres., deceased.

GEORGIA.

SAVANNAH—Savannah Bank and Trust Co.; W. F. McCauley, Vice-Pres. in place of John T. Rowland; S. L. Clay, Cas. in place W. F. McCauley.

ILLINOIS.

ANCHOR—Anchor Bank; Barnes & Martin, proprietors.

CHICAGO—Colonial Trust and Savings Bank; G. H. Coney, Asst. Cas.

LINCOLN—State Bank: James E. Hoblit, Cas. in place of Paul Fuson.

PEORIA—Commercial German Nat. Bank; Weston Arnold, Cas. in place of E. A. Cole; E. A. Cole, Asst. Cas. in place of Wm. Hazzard.

ROCK ISLAND—People's National Bank; Jos. Rosenfield, Pres., deceased.

TUSCOLA—Baughman, Bragg & Co.; A. T. Bragg, Cas. in place of H. C. Baughman.

INDIANA.

LAFAYETTE—City National Bank; Jacob Oppenheimer, Asst. Cas., resigned.—First National Bank; Frank W. Spencer, Cas. in place of H. W. Moore; Richard G. Peirce, Asst. Cas.

INDIAN TERRITORY.

OKEMAH—First National Bank and Okemah State Bank; consolidated under former title.

PAUL'S VALLEY—National Bank of Commerce; A. E. Ramsey, Cas.

IOWA.

DAVENPORT—Union Savings Bank; F. H. Bartemeyer, Pres. in place of John W. Ballard, resigned; W. R. Weir, Vice-Pres.—First National Bank; Geo. Hoehn, Cas. in place of C. A. Mast; L. J. Yaggy, Asst. Cas.

DES MOINES—Grand Avenue Savings Bank; John McQuiston, Cas.

HASKINS—Farmers and Merchants' Savings Bank; capital increased to $13,000.

HOLSTEIN—E. H. McCutchen & Co.: E. H. McCutchen, deceased.

TIPTON—City National Bank; J. H. Coutts, Pres., deceased.

WATERLOO—Black Hawk National Bank and Waterloo National Bank; consolidated under former title; F. F. McElhinny, Pres.; T. K. Elliott, Vice-Pres.; R. E. Cushman, Asst. Cas.—First National Bank; C. O. Balliett, Pres. in place of C. O. Bratnober; Frank J. Fowler, Vice-Pres. in place of C. O. Balliett; F. B. Dietrick, First Asst. Cas.; F. P. Hurst, Second Asst. Cas.

KANSAS.

TOPEKA—Merchants' National Bank; F. W. Freeman, Vice-Pres. in place of W. W. Mills; F. M. Bonebrake, Cas. in place of F. W. Freeman.

KENTUCKY.

LEXINGTON—National Exchange Bank; William C. Smith, Pres. in place of David Bennett, resigned.

LOUISIANA.

NEW ORLEANS—Germania Savings Bank and Trust Co.; J. Edmond Merihl, Pres. in place of Jacob Hassinger; G. A. Blaffer, Vice-Pres.

SHREVEPORT—Louisiana Bank and Trust Co.; S. B. McCutchen, Pres.; C. D. Kambach, Asst. Cas.

MAINE.

BUCKSPORT—Bucksport National Bank; Pascal P. Gilmore, Pres. in place of Edward Swazey; E. B. Moor, Cas. in place of John N. Swazey.

THOMASTON—Georges National Bank; W. E. Vinal, Pres. in place of Edwin Smith; S. Emerson Smith, Vice-Pres. in place of W. E. Vinal.

MARYLAND.

BALTIMORE—Citizens' National Bank; John S. Gibbs, Pres. in place of Wesley M. Oler. ——Western National Bank; Jno. L. Swope, Asst. Cas.

FREDERICK—Farmers and Mechanics' National Bank; S. S. Maynard, Pres. in place of David C. Winebrener, deceased.

MASSACHUSETTS.

ANDOVER—Andover Savings Bank; John H. Flint, Pres. in place of Moses T. Stevens; John F. Kimball, Vice-Pres.; Frederic S. Boutwell, Treas. in place of John F. Kimball.——Andover National Bank; Nathaniel Stevens, Vice-Pres. in place of John H. Flint.

BOSTON—Atlantic National Bank; H. K. Hallett, Pres. in place of Wm. B. Denison; Wm. B. Denison, Vice-Pres.; N. N. Denison, Cas. in place of H. K. Hallett.——Lord & Mandell, dissolved partnership.

FITCHBURG—Safety Fund National Bank; Albert M. Lowe, Pres. in place of Henry Allison.——Rollstone National Bank; Geo. R. Wallace, Pres. in place of H. A. Willis.

GREAT BARRINGTON—National Mahaiwe Bank; F. N. Deland, Pres. in place of John L. Dodge; Frank Curtiss, Vice-Pres. in place of G. W. Peters; C. H. Booth, Cas. in place of F. N. Deland.

NEW BEDFORD—Mechanics' National Bank; Henry H. Crapo, Pres. in place of Wm. W. Crapo; Henry C. Denison, Vice-Pres. in place of Andrew G. Pierce, deceased.

NORTHBORO—Northborough National Bank; Noah Wadsworth, Vice-President in place of Chas. O. Green, deceased.

PITTSFIELD—Agricultural National Bank; I. D. Ferrey, Pres. in place of W. Murray Crane; W. M. Crane, Vice Pres. in place of Wm. R. Plunkett; Frank W. Dutton, Cas. in place of Irving D. Ferrey; E. H. Kennedy, Asst. Cas.

TOWNSEND—Townsend National Bank; Clarence Stickney, Pres. in place of A. D. Fessenden.

MICHIGAN.

DETROIT—Union Trust Co.; Ellwood T. Hance, Vice-Pres. and Treas.; Chas. Moore, Sec.

LYONS—John R. Dougherty & Co.; W. L. Kelly, Cas., resigned.

PONTIAC—First Commercial Bank; C. E. Waldo, Cas. in place of F. G. Jacobs.

THREE RIVERS—First National Bank; Gardner Powell, Pres. in place of R. R. Pealer; Geo. A. B. Cooke, 2d Vice-Pres. in place of Chas. W. Cox.

MINNESOTA.

DODGE CENTER—Farmers' National Bank; McD. Williams, Pres. in place of Norman Evans; A. A. Harmer, 1st Vice-Pres. in place of Paul H. Evans; William Williams, 2d Vice-Pres.; W. M. Harmer, Cas. in place of Wilmot C. Brown.

ST. CLOUD—First National Bank; E. F. Moore, Pres. in place of J. G. Smith; W. W. Smith, Cas. in place of E. B. Smith.

MISSISSIPPI.

MADISON STATION—Bank of Madison; W. H. Lewis, Cas.

SUMMIT—Bank of Summit; Oliver N. Bonney, Asst. Cas.

MISSOURI.

KANSAS CITY—German-American Bank; John E. Lach, Cas.

NIXA—Bank of Nixa; J. A. Tindle, Cas. resigned.

NEW JERSEY.

ORANGE—Orange National Bank; John D. Everitt, Pres. in place of Chas. M. Decker; Edward T. Perrine, Cas. in place of J. Warren Smith.——Second National Bank; Elias H. Bonnell, Pres. in place of Hubert L. Pierson; A. W. Burnett, Cas.

TRENTON—Trenton Banking Co.; John A. Campbell, Pres. in place of Joseph H. Bruere, resigned.——Mechanics' National Bank; J. R. Sweeny, Cas. in place of Wm. W. Stelle; H. D. Leavitt, Asst. Cas. in place of Jos. R. Sweeny.

NEW YORK.

ALBANY—National Savings Bank; James H. Manning, Pres. in place of Simon W. Rosendale.——Albany City Savings Institution; Horace Seaman Bell, First Vice-Pres., deceased.

AMSTERDAM—Amsterdam City National B'k; Alonzo A. DeForest, Vice-Pres., deceased.

BROOKLYN—People's Bank; Geo. W. Spencer, Pres. in place of James Gascoine, deceased.——Hamilton Trust Co.; Joseph B. White, Second Vice-Pres., deceased.

DUNKIRK—Merchants' National B'k; Henry H. Droege, Cas. in place of Peter J. Mulholland, resigned.

GLENS FALLS—Glens Falls Trust Co.; A. Eugene Mason, Cas. in place of Wm. J. Townsend, resigned.

HAVERSTRAW—People's Bank; Denton Fowler, Pres., deceased.

MATTEWAN—Mattewan Savings Bank; Granville Van Vliet, Treas., deceased.

NEW YORK—New York National Exchange Bank; Lewis E. Pierson, Pres. in place of James Rowland; J. E. Nichols, Vice-Pres. in place of Lewis E. Pierson; Frank M. Burger, Asst. Cas.; David H. G. Penny, Asst. Cas.——National Park Bank; Edward J. Baldwin, Cas. in place of Geo. S. Hickok;

M. H. Ewer, Asst. Cas. in place of Edward J. Baldwin.——Tower & Sherwood; Augustus Clifford Tower, deceased.——Hanover National Bank; Wm. Woodward, Third Vice-Pres.——Mercantile National Bank; D. D. Ramsey, Third Vice-Pres.

PLATTSBURG—Plattsburg National Bank; Stephen Moffit, Pres., deceased.

ROME—Farmers' National Bank; Geo. Clarabut, Cas. in place of Samuel Wardwell.

ROCHESTER—Traders' Nasional Bank; C. H. Palmer and Darrell D. Sully, Vice-Pres.; C. E. Bowen, Cas. in place of C. H. Palmer; H. F. Marks, Asst. Cas. in place of C. E. Bowen; W. J. Trimble, Asst. Cas.

UTICA—Oneida National Bank; Geo. L. Bradford, Pres. in place of Lewis H. Lawrence; Chas. A. Stickney, Cas. in place of George L. Bradford; no Asst. Cas. in place of Chas. A. Stickney.

NORTH CAROLINA.

GREENSBORO—City National Bank; Wm. S. Thompson, Pres. in place of J. M. Walker.

RALEIGH—Carolina Trust Co.; John A. Mills, Pres. in place of W. W. Mills.

NORTH DAKOTA.

CASSELTON—First National Bank; R. C. Kittell, Pres. in place of M. A. Baldwin.

LANSFORD Farmers and Merchants' Bank; W. C. Putnam, Cas. deceased.

OHIO.

CLEVELAND—Union National Bank and Colonial National Bank; consolidated under former title.——Euclid-Park National Bank and Bankers' National Bank; reported consolidated under former title.——Commercial National Bank; S. O. Payne, Asst. Cas.

COSHOCTON—Citizens' Banking and Trust Co.; R. E. Finley, Pres., deceased.

DAYTON—Teutonia National Bank; J. D. Whitmore, Pres. in place of Edward Pape, Sr.

DELAWARE—Delaware Co. Nat. Bank; G. S. Cryder, Asst. Cas.

JACKSON—First National Bank; J. H. Newvahner, Cas. in place of T. J. Edwards; J. E. McGhee, Asst. Cas.

GALION—First Nat. Bank; E. M. Freese, Pres. in place of H. P. Stentz; M. R. Crim, Vice-Pres. in place of E. M. Freese.

KENT—Kent National Bank; G. E. Hinds, Cas. in place of W. S. Kent.

MANSFIELD—Farmers' National Bank; no Asst. Cas. in place of W. H. G. Kegg.

URBANA—Citizens' National Bank; Simeon Taylor, Pres.; D. S. Perry, Vice-Pres. in place of Simeon Taylor.

WOOSTER—Wayne County National Bank; J. S. R. Overholt, Pres. in place of C. S. Frost; Frank Taggart, Vice-Pres. in place of J. S. Overholt.

OKLAHOMA.

FAIRFAX—Osage Bank; capital increased to $15,000.

OREGON.

PENDLETON—First National Bank; Charles B. Wade, Cas., resigned.

PENNSYLVANIA.

BELLEFONTE—Centre County Banking Co.; John L. Kurtz, Vice-Pres., deceased.

BERWICK—First National Bank; W. J. Hebl, Asst. Cas.

BRISTOL—Farmers' National Bank of Bucks Co.; Thomas Scott, Asst. Cas.

DAWSON—First National Bank; John H. Wurtz, Vice-Pres. in place of Joseph R. Laughrey.

HANOVER—People's Bank; John Q. Allewalt, Pres., deceased.

HOLLIDAYSBURG—Citizens' National Bank; Robert H. Spendley, Vice-Pres., deceased.

MILTON—Milton National Bank; Marshall Reid, Pres., deceased.

PHILADELPHIA—First National Bank; Morton McMichael, Pres. in place of Geo. Philler; E. W. Clark, Jr., Vice-Pres. in place of Morton McMichael.——Consolidation National Bank; F. C. Hansell, Asst. Cas.——Union National Bank; W. H. Carpenter, Pres. in place of D. Faust; no Vice-Pres. in place of W. H. Carpenter.

PITTSBURG—German National Bank; E. J. Frauenheim, 2d Vice-Pres.; A. A. Vilsack, Asst. Cas.

SHENANDOAH—Merchants' National Bank; J. W. Hough, Cas. in place of E. B. Hunter.

WAYNESBURG—American National Bank; no Pres. in place of Thomas Adamson; Peter Bradley, 1st Vice-Pres.; J. B. Ross, 2d Vice-Pres.; Patrick J. Bradley, Cas. in place of Thomas C. Bradley.

RHODE ISLAND.

HOPE VALLEY—First National Bank of Hopkinton; H. C. Nichols, Pres. in place of A. G. Nichols, deceased.

PROVIDENCE—Old National Bank; Geo. H. Capron, Asst. Cas.——National Bank of North America; B. F. Vaughan, Pres. in place of Chas. H. Merriman; Albert A. Remington, Vice-Pres. in place of B. F. Vaughan.——Phenix National Bank; Geo. E. Martin, Vice-Pres.; J. E. Thompson, Cas. in place of Geo. E. Martin.

WARREN—First National Bank; F. S. Dronne, Pres. in place of Geo. Welch, deceased.

SOUTH CAROLINA.

CHARLESTON—Enterprise Bank; W. G. Harvey, Pres. in place of J. J. Wescoat; J. S. Caldwell, Cas.

TENNESSEE.

BRISTOL—National Bank of Bristol; no Cas. in place of John B. Baumgardner; J. W. Lynn, Asst. Cas.

CHATTANOOGA—Security Bank & Trust Co. capital increased to $25,000.

HARTSVILLE—Bank of Hartsville; S. M. Young, Pres. in place of H. C. Ellis, deceased.

MEMPHIS—Home Finance and Trust Co.; J. W. Keyes, Pres. in place of E. L. Boyle.

SEVIERVILLE—Bank of Sevierville; R. D. Marshall, Asst. Cas.

NASHVILLE—City Savings Bank; Arch W. Watkins, Cas. in place of Edgar Magness.

WAVERLY—First National Bank; J. C. Harris, Pres. in place of A. P. McMurry.

VIRGINIA.

NORTON—First National Bank; C. C. Hyatt, Cas. in place of E. H. Ould; H. G. Gremer, Asst. Cas.

ORANGE—National Bank of Orange; John G. Williams, Pres.

WEST VIRGINIA.

ELKINS—Elkins National Bank; Lee Crouch, Cas. in place of H. R. Warfield; Jno. T Lingamfelter, Asst. Cas.

WHEELING—Bank of the Ohio Valley; J. Howard McDonald, Cas. in place of J. A, Miller.

WISCONSIN.

MILWAUKEE—Oliver C. Fuller & Co.; business taken over by Wisconsin Trust and Security Co.; Oliver C. Fuller, Pres.; Frederick Kasten, Vice-Pres. and Treas.; Gardner P. Stickney, Sec.——Wisconsin National Bank; L. J. Petit, Pres. in place of Frederick Pabst, deceased.

CANADA.

QUEBEC.

ST. CUNEGONDE—Merchants' Bank of Canada; business taken over by La Banque Provinciale du Canada.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

CONNECTICUT.

WATERTOWN—Watertown Savings Bank: closed temporarily.

INDIANA.

AUBURN—Farmers' Bank.

IOWA.

MOUNT AYR—Citizens' Bank.

SIGOURNEY—Sigourney Savings Bank.

STORM LAKE—First National Bank; in hands of Receiver January 2.

KANSAS.

TOPEKA—Guilford Dudley.

MARYLAND.

BALTIMORE—E. N. Morison & Co.

MINNESOTA.

ORTONVILLE—Charles H. Keith.

NEW JERSEY.

ORANGE—Citizens' Trust Co.

NEW HAMPSHIRE.

NASHUA—Nashua Trust Co.

NEW YORK.

STAPLETON—Bank of Staten Island.

OHIO.

CLEVELAND—Produce Exchange Banking Co.

PENNSYLVANIA.

WESTCHESTER—E. D. Haines & Co.

TEXAS.

GAINESVILLE—Red River National Bank.

VIRGINIA.

PORTSMOUTH—Dime Savings Bank.

West Virginia State Banks.

In his recent annual report, M. A. Kendall, Commissioner of Banking for West Virginia presents the following statistics in regard to the growth of State banks in West Virginia:

YEAR.	*No. banks.*	*Total deposits.*
1891	49	$8,330,896
1892	50	9,418,513
1893	55	9,173,210
1894	56	9,066,980
1895	58	9,698,068
1896	60	10,609,880
1897	68	11,195,954
1898	74	13,069,263
1899	76	16,284,386
1900	89	21,328,927
1901	102	26,782,556
1902	115	32,872,669
1903	148	38,908,768

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, February 8, 1904.

A LARGE FLOW OF MONEY FROM INTERIOR POINTS TO NEW YORK was a distinguishing feature of the month of January. The local banks gained more than $50,000,000 in cash and have $20,000,000 more than they had a year ago. The increase in deposits was extraordinary. In the first week of the month they increased $19,000,000, in the second week $36,000,000, in the third week $45,000,000, and in the fourth week $37,000,000, making a total gain in four weeks of $137,000,000. This increase in deposits has been followed by a large expansion in loans, $86,000,000. Both deposits and loans are now larger than ever before were reported, the former being $92,000,000 more than a year ago, and loans $90,000,000 more.

There seems to be reasonable assurance of easy money conditions for some time to come. There is the question of paying for the Panama Canal, in the event of the ratification of the Panama treaty, which is practically assured. The Government will have to pay $40,000,000 to the new Panama Canal Company, which will go to France, and $10,000,000 to Panama. The Secretary of the Treasury, it is understood, is making arrangements to meet the payment without causing any disturbance of the money market. Some of the Government deposits in the National banks will be withdrawn, a pro rata call being made on all the banks to turn back into the Treasury about $45,000,000.

That this amount of money will be shipped from the country is improbable. It is evident that the banking institutions have been making preparations for this large expenditure and exchange has been accumulated against funds in London. The tremendous trade balance piled up recently without any corresponding gold import movement suggests a resource of gold accumulation abroad.

The stock market gave substantial evidence of improvement last month, and prices of stocks and bonds made an appreciable advance. There was nothing resembling a "boom" in the market, but rather a steady hardening which left prices at the close of the month generally very near the best prices for the month. The aggregate transactions in stocks were smaller than in either December, or in January a year ago, the decline being about twenty-five per cent. Railroad bonds were more active and show an increase of about twenty per cent. over the transactions of January, 1902.

The extraordinary speculation which began in cotton some time ago was continued throughout the month of January, and the price of that staple was advanced above the highest figures quoted in the last thirty years. On the last business day of the month the price in New York was about seventeen cents, and the tendency of the market was still upward. A break in the price may be expected any time, and some of the fluctuations that have already occurred have caused considerable uneasiness. It is understood that the banks which lend on cotton have given notice that they will not lend more than ten cents a pound in any event. This will prevent some operators from "bulling the market up." It is generally felt that the course of speculation in cotton has been considerably beyond the limits of conservatism, and that its continuance involves no little peril.

The continued increase in the volume of money in circulation is attracting attention. In February the total amount increased $21,600,000, being $2,487,979,301 as against $2,466,345,897 on January 1. Probably never before was there so large a proportion of gold to the total circulation as now. Nearly $48,500,000 of gold certificates were put into circulation last month, making the present amount $469,578,609. This, with the $627,905,855 gold coin estimated in use, makes $1,197,000,000 of gold in the hands of the people—equal to more than forty-eight per cent. of the total circulation. How great has been the expansion in currency in recent years the following table will show:

Feb. 1.	*Circulation.*	*Feb. 1.*	*Circulation.*	*Feb. 1.*	*Circulation.*	*Feb. 1.*	*Circulation.*
1889	$1,408,092,480	1893	$1,607,958,439	1897	$1,665,977,688	1901	$2,190,780,218
1890	1,435,784,284	1894	1,739,788,511	1898	1,729,991,228	1902	2,259,951,709
1891	1,525,488,060	1895	1,613,657,515	1899	1,918,260,557	1903	2,355,738,834
1892	1,603,855,128	1896	1,589,720,607	1900	2,003,149,355	1904	2,487,979,801

The net increase in circulation from February, 1889, to February 1, 1896, seven years, was less than $182,000,000, while from February 1, 1896, to February 1, 1904, eight years, the increase was $898,000,000. In the last two years the increase was $46,000,000 more than in the seven years prior to 1896.

While the money supply seems to be sufficient, the United States Treasury has shown symptoms of financial embarrassment. The revenues in January were nearly $7,000,000 less than the expenditures, the first time a deficit has been shown in January since 1899. Usually the expenditures in January are greater than in other months, except July. This year not only are the expenditures larger, but the receipts are smaller. At the close of the first seven months of the current fiscal year the Government finds itself with a surplus of only about $1,600,000, as compared with a surplus of $28,000,000 last year and of $50,000,000 in 1902.

The general industrial and trade situation has developed signs of improvement since the opening of the year, but as the facts concerning the past reverses become known, it is apparent that during part of last year at least there was a great falling off in activity in some lines of production.

This fact is manifest in the case of the United States Steel Corporation. On January 5 the dividend on the common stock was passed. As there is $508,000,000 of the stock outstanding, and a year ago four per cent. per annum was being paid on it, the passing of the dividend means a loss in dividends to investors in that stock of $20,000,000 per annum. That the passing of the dividend was at least justifiable, or even necessary, the statement of the net earnings of the company leaves beyond question. Last June the net earnings were $12,992,780, while the estimate for December is only $3,100,000. The following statement by quarters since the corporation was formed shows how serious has been the decrease in net earnings:

YEAR ENDED.	*1901.*	*1902.*	*1903.*
March 31	....	$26,715,457	$25,068,707
June 30	$26,363,840	37,662,058	36,642,308
September 30	28,663,843	36,945,489	32,423,955
December 31	29,759,913	31,985,759	14,845,042
Year	....	$133,308,763	$108,979,012

Not only have the net earnings fallen off, but the orders on hand December 31 were only 3,215,123 tons as compared with 5,347,253 tons a year ago. But it is not the business of this ore corporation alone which has declined. The production of both iron and steel has decreased. The steel output, which last June amounted to 1,021,889 tons, was only 406,730 tons in December last.

When the statistics of iron production are examined, it becomes plain that a very general curtailment in various lines of business, such as building, etc., must have

preceded the reduction in output of iron. The production of pig iron since 1895 is shown as follows:

Year.	*First half.* Tons.	*Second half.* Tons.	*Year.* Tons.
1896	4,976,236	3,646,891	8,623,127
1897	4,403,476	5,249,204	9,652,680
1898	5,869,703	5,904,231	11,773,934
1899	6,289,167	7,331,536	13,620,703
1900	7,642,569	6,146,673	13,789,242
1901	7,674,613	8,203,741	15,878,354
1902	8,808,574	9,012,733	17,821,307
1903	9,707,367	8,301,885	18,009,252

While the production for the year 1903 is about 188,000 tons greater than in 1902, and is the largest year's output ever recorded, the output in the last half of the year was nearly 711,000 tons less than in the corresponding period of 1902. The furnaces in blast on December 31, 1903, had a weekly capacity of only 197,931 tons as compared with 353,800 tons a year ago. The present rate of production is about 8,000,000 tons a year less than the rate of a year ago. Production reached its maximum record on June 1, when it was 398,139 tons per week. Since that date it has declined 200,000 tons per week, or more than one-half. Since January 1 some furnaces have started up, and it is probable that the record of that date marks the lowest ebb of production for some time to come.

The statistics of anthracite coal shipments for the year 1903, only recently published, are of especial interest, indicating to some extent the effect of the coal miners' strikes in 1902. The total for the year was 59,362,831 tons, the largest for any year in the history of the coal trade. It is an increase of 22,000,000 tons over that of 1902 and nearly 6,000,000 tons over 1901. The total for the year 1902 and 1903, however, is 90,563,721 tons, as compared with 98,676,087 tons in 1900 and 1901, a decrease of more than 8,000,000 tons, which may be considered a permanent loss to the trade as the result of the strikes, without considering the increase which might have occurred under ordinary conditions.

In railroad affairs there seems to be a tendency towards decreased earnings both gross and net. A number of roads have reported smaller net earnings for recent periods than for similar periods a year ago. This is especially true of the anthracite coal-carrying roads. The Erie Railroad, which last month declared its second two per cent. semi annual dividend on the first preferred stock, reports a decrease of nearly $600,000 in net earnings in December, while the gross earnings fell off $455,000. The declaration of the dividend releases the control of the property from the voting trust created in 1895.

The completed returns of our foreign trade for the calendar year 1903 make a most remarkable showing. The exports of merchandise aggregated in value nearly $1,485,000,000, and imports more than $995,000,000, both amounts the largest ever known. The aggregate foreign trade movement reached the unprecedented volume

Calendar Year.	*Imports.*	*Exports.*	*Total foreign trade.*	*Excess of exports.*
1896	$681,579,556	$1,005,837,241	$1,687,416,797	$324,257,685
1897	742,595,229	1,099,709,045	1,842,304,274	357,113,816
1898	634,964,448	1,255,546,266	1,890,510,714	620,581,818
1899	798,967,410	1,275,467,971	2,074,435,381	476,500,561
1900	829,149,714	1,477,946,113	2,307,095,827	648,796,399
1901	880,419,910	1,465,375,860	2,345,795,770	584,955,950
1902	969,316,870	1,360,685,933	2,330,002,803	391,369,063
1903	995,473,101	1,484,668,127	2,480,141,228	489,195,026
Eight years	$6,532,466,238	$10,425,236,556	$16,957,702,794	$3,892,770,818

of $2,480,000,000. The year just closed is the eighth of a period during which the foreign trade of the United States has developed more rapidly than in any other period in the history of the country. We show the annual movement from 1896 to 1903 inclusive.

Imports have averaged nearly $820,000,000 a year during the entire eight years, an amount never reached in a single year prior to 1896, except in the years 1890, 1891 and 1892. Exports have averaged $1,303,000,000 per annum, while prior to 1896 they never reached $900,000,000 in a single year excepting in 1891 and 1892. In 1878 exports of merchandise exceeded imports by $305,000,000, and in 1879 by $251,000,000. With these exceptions the balance of net exports never equalled $200,000,000 in any single year prior to 1896. In the last eight years the net exports have exceeded $600,000,000 twice, and in three other years have exceeded or approximated $500,000,000, while the average for the eight years was $486,000,000.

In the following table comparison is made between periods of eight years, each extending back to January 1, 1872:

Eight years ended December 31.	*Imports.*	*Exports.*	*Total foreign trade.*	*Excess of exports.*
1879	$4,169,490,334	$4,830,636,729	$9,000,127,063	$661,146,395
1887	5,396,304,547	6,152,745,102	11,549,049,649	756,440,555
1895	6,242,814,172	6,811,371,416	13,054,185,588	568,557,244
1903	6,532,466,238	10,425,236,556	16,957,702,794	3,892,770,318

This comparison presents a striking picture of the extraordinary growth of our foreign trade since 1895. It is only in the last three years that imports have been exceptionally large, still the total for the eight years exceeds by about $290,0000,000 that of the previous eight years. Exports, however, increased $3,600,000,000, and the net exports $3,324,000,000.

In our recent exports cotton has been a very important factor. In December alone the cotton exports exceeded $72,000,000, or more than forty per cent of the total exports of $174,000,000. In the last three months of 1903, while the total exports were $505,000,000, the exports of cotton exceeded $200,000,000. While the export movement in manufactures has grown appreciably, the bulk of exports still consists of breadstuffs, provisions, cotton and mineral oils, these products making up fully sixty per cent. of the total exports. What part they have played in the large export movement of the last eight years will be disclosed by the following table:

Year.	*Breadstuffs.*	*Provisions.**	*Cotton.*	*Mineral oils.*	*Total.*
1896	$177,216,098	$162,217,075	$233,378,619	$62,764,278	$635,576,070
1897	243,803,550	178,226,030	212,523,620	59,057,547	693,610,747
1898	306,757,363	196,248,827	232,437,865	52,551,048	789,995,103
1899	259,447,471	197,764,310	191,091,916	64,982,249	713,285,946
1900	242,733,936	202,251,699	314,103,238	73,276,282	832,365,155
1901	267,925,188	224,427,219	300,417,852	71,499,503	864,269,762
1902	187,381,225	189,694,280	290,113,507	66,988,748	734,177,760
1903	192,920,266	199,471,895	378,261,055	70,344,834	840,998,050
Eight years	$1,880,185,097	$1,550,301,335	$2,152,327,672	$521,464,489	$6,104,278,593

* Includes cattle and hogs.

Of the $10,425,000,000 exports since 1896 the above commodities contributed $6,104,000,000, cotton $2,152,000,000, breadstuffs $1,880,000,000, and provisions $1,550,000,000. The importance of cotton as an article of export makes speculative manipulation of the price of that staple of serious consequence.

THE MONEY MARKET.—Immediately after the beginning of the year the local money market became easier and at the close of January rates both for call and time money were much lower than they were a month ago. At the close of the month call money ruled at 1¾ @ 2 per cent., the bulk of the buiness being at 2 per cent. Banks and trust companies loaned at 2 per cent. as the minimum rate. Time money on Stock Exchange collateral is quoted at 3½ per cent. for 30 days, 3¾ per cent. for 60 days, 4 per cent. for 90 days to 4 months, 4 @ 4¼ per cent. for 5 to 6 months and 4½ per cent. for 8 months on good mixed collateral. For commercial paper the rates are 4½ @ 5 per cent. for 60 to 90 days' endorsed bills receivable, 4¾ @ 5¼ per cent. for first-class 4 to 6 months' single names, and 5½ @ 6 per cent. for good paper having the same length of time to run.

MONEY RATES IN NEW YORK CITY.

	Sept. 1.	*Oct. 3.*	*Nov. 1.*	*Dec. 1.*	*Jan. 1.*	*Feb. 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	1½–2	2¼–3	4–5	6–9	6–9	1¾–2
Call loans, banks and trust companies	2 –	2½–	2½–	6 –	6 –	2 –
Brokers' loans on collateral, 30 to 60 days	5 –5½	5½–	5 –	6 –	5¼– ½	3½– ¾
Brokers' loans on collateral, 90 days to 4 months	5½–	6 –	5 –	5½–6	4½–5	4 –
Brokers' loans on collateral, 5 to 7 months	5½–6	6 –	5 –	5½–	5 –	4 – ¼
Commercial paper, endorsed bills receivable, 60 to 90 days	6 –	6 –	5½–6	6 –	5½– ¾	4½–5
Commercial paper prime single names, 4 to 6 months	6 –6½	6 – 6½	5½–6	6 –6½	5¾–6	4¾–5¼
Commercial paper, good single names, 4 to 6 months	6½–7	6½– 7	6 –6½	6½–7	6 –6½	5½–6

NEW YORK CITY BANKS.—In the month just ended the banks composing the New York Clearing-House Association made an exceptional showing In fact the

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Jan. 2...	$908,570,500	$160,675,800	$70,410,800	$886,178,900	$9,541.850	$44,925,400	$1,143,217,700
" 9...	915,992,200	166,401,900	74,718,400	905,713,300	14,686,975	44,697,600	1,469,165,400
" 16...	934,395,600	181,679,100	76,819,800	941,268,600	23,181,750	43,777,000	1,311,240,300
" 23...	965,064,900	195,207,900	77,440,600	986,303,300	26,072,675	43,141,200	1,299,178,000
" 30...	994,552,100	205,477,500	75,637,500	1,023,943,800	25,129,050	42,739,000	1,277,825,900

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	*1902.*		*1903.*		*1904.*	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$910,860,800	$7,515,575	$873,115,000	$10,193,850	$866,178,900	$9,541,850
February	975,997,000	26,623,850	931,778,900	27,880,775	1,023,943,800	25,129,050
March	1,017,488,800	9,975,925	956,206,400	5,951,900	....	....
April	965,353,300	6,965,575	894,260,000	6,281,900	....	....
May	968,189,600	7,484,000	905,760,200	11,181,850	....	....
June	948,326,400	11,929,000	913,081,800	9,645,150	....	....
July	955,829.400	12,978,350	903,719.800	12,923,850	....	....
August	957,145,500	13,738,125	908.864,500	24,060,075	....	....
September	935,998,500	9.742,775	920,123,900	20,677,925	....	....
October	876,519,100	3,236,625	897,214,400	18,937,500	....	....
November	893,791,200	21,339,100	885,616.600	10,274,150	....	....
December	883,836,800	15,786,300	841,552,000	6,125,200	....	....

Deposits reached the highest amount, $1,023,943,800 on Jan. 30, 1904; loans, $994,552,100 on January 30, 1904, and the surplus reserve $111,623,000 on Feb. 3, 1894.

changes in the condition of the banks were in many instances sensational in character. Each week there were large gains in deposits, loans and reserves, and until the last week gains in surplus reserve. Loans during the week ended January 23 reached the highest point ever recorded, and at the close of the month were $44,000,000 greater than were reached prior to last month. On February 21, 1903, the record of $950,208,700 was made and on January 30, 1904, the total was $994,552,100. The increase in loans in the month was $86,000,000. Deposits made a new high record on January 30, almost touching $1,024,000,000, which is $4 500,000 more than the highest previous total made on February 21, 1901. The gain in deposits for the month was nearly $138,000,000. Specie reserves increased about $45,000,000 and legal tenders $5,000,000. The surplus reserve increased $15,500,000.

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

DATES.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
Jan. 2....	$79,286,300	$87,710,100	$3,842,200	$4,925,300	$9,843,700	$3,524,200	$207,880
" 9....	79,550,000	90,295,600	3,820,500	4,969,600	10,528,300	3,876,100	620,600
" 16....	78,845,400	88,885,400	3,802,200	5,107,000	10,237,300	3,859,400	785,450
" 23....	77,864,500	87,913,700	3,638,900	4,802,800	10,398,200	4,620,400	1,476,875
" 30....	77,404,100	87,886,700	3,592,800	4,794,100	10,271,100	4,995,000	1,681,325

BOSTON BANKS.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Jan. 2.......	$173,806,000	$195,677,000	$15,471,000	$5,862,000	$6,765,000	$130,568,800
" 9.......	175,449,000	198,708,000	15,992,000	6,085,000	6,759,000	140,008,700
" 16.......	176,887,000	202,497,000	16,800,000	6,228,000	6,708,000	188,914,100
" 23.......	176,198,000	200,512,000	17,229,000	5,901,000	6,764,000	183,008,000
" 30.......	178,958,000	199,879,000	17,179,000	5,650,000	6,803,000	....

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Jan. 2..................	$182,680,000	$206,616,000	$52,001,000	$11,038,000	$101,018,800
" 9..................	183,875,000	208,888,000	53,020,000	10,538,000	121,005,300
" 16..................	183,266,000	215,429,000	58,556,000	10,455,000	119,797,100
" 23..................	183,041,000	215,099,000	59,828,000	10,466,000	124,516,100
" 30..................	184,452,000	215,600,000	59,005,000	10,428,000	104,071,250

MONEY RATES ABROAD.—Rates for money in the foreign money centers are lower. The Bank of England still maintains its posted rate of discount at 4 per

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Oct. 14, 1903.	*Nov. 14, 1903.*	*Dec. 12, 1903.*	*Jan. 13, 1904.*
Circulation (exc. b'k post bills)..........	£28,960,640	£28,552,415	£29,243,670	£28,414,055
Public deposits..........................	6,388,430	6,226,866	7,966,866	6,185,742
Other deposits...........................	43,139,126	38,923,056	38,984,069	42,941,986
Government securities....................	19,975,056	16,486,556	18,187,060	20,947,874
Other securities.........................	25,501,358	24,423,615	27,046,714	24,957,866
Reserve of notes and coin................	21,859,178	22,061,952	19,034,663	21,424,363
Coin and bullion.........................	32,369,818	32,164,367	31,105,338	31,388,418
Reserve to liabilities...................	44%	48¾%	41⅝%	43½%
Bank rate of discount....................	4%	4%	4%	4%
Price of Consols (2¾ per cents.).........	88 3/16	97⅝	97 7/16	87 3/16
Price of silver per ounce................	28 1/16d.	26¾d.	29 1/16d.	27⅛d.

cent. Discounts of 60 to 90 day bills in London at the close of the month were 3 per cent. against 3⅜ per cent. a month ago. The open market rate at Paris was 2¾ per cent. against 2⅞ per cent. a month ago, and at Berlin and Frankfort 2½ @ 2¾ per cent. against 3⅜ per cent. a month ago.

FOREIGN EXCHANGE.—The market for sterling exchange during the month has been generally strong. There has been a noticeable scarcity of commercial bills, and the reason is said to be that they are being absorbed by bankers who are accumulating credits abroad in anticipation of the transfer of the Panama Canal purchase money amounting to $40,000,000. In the last week sterling was lower.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

WEEK ENDED.	BANKERS' STERLING.		Cable transfers.	Prime commercial, Long.	Documentary Sterling, 60 days.
	60 days.	Sight.			
Jan. 2	4.8100 @ 4.8110	4.8400 @ 4.8410	4.8440 @ 4.8455	4.80⅛ @ 4.80⅜	4.80 @ 4.80¾
" 9	4.8200 @ 4.8210	4.8490 @ 4.8500	4.8530 @ 4.8540	4.81¼ @ 4.81⅜	4.81 @ 4.81¾
" 16	4.8260 @ 4.8270	4.8550 @ 4.8560	4.8585 @ 4.8595	4.82⅛ @ 4.82¼	4.81½ @ 4.82⅜
" 23	4.8320 @ 4.8330	4.8600 @ 4.8610	4.8635 @ 4.8645	4.82¾ @ 4.83	4.82 @ 4.83
" 30	4.8300 @ 4.8310	4.8555 @ 4.8565	4.8585 @ 4.8600	4.82½ @ 4.82⅝	4.82 @ 4.82⅝

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Oct. 1.	Nov. 1.	Dec. 1.	Jan. 1.	Feb. 1.
Sterling Bankers—60 days	4.82¼— ⅜	4.81 — ¼	4.79¾—80	4.81 — ⅛	4.83 — ⅛
" " Sight	4.86 — ⅛	4.84⅝— ⅝	4.83½—	4.84 — ⅛	4.85½— ⅝
" " Cables	4.86⅝— ¾	4.85⅛— ⅜	4.84 —	4.84½— ⅝	4.85¾— 6
" Commercial long	4.81¾—2	4.80⅝— ⅞	4.79 — ⅛	4.80½— ⅝	4.82½— ⅝
" Docu'tary for paym't.	4.81¼— 2⅛	4.80¾— 1¾	4.79 —80¼	4.80 —80¾	4.82 — ⅝
Paris—Cable transfers	5.17½—	5.18⅛—17½	5.20⅝— 1/16	5.18¾—	5.17½— ..
" Bankers' 60 days	5.20⅝— 1/16	5.21¼—	5.23⅛—	5.22½—21⅞	5.20 1/16— 20
" Bankers' sight	5.18⅛—	5.18¾—18⅛	5.21¼— 20⅝	5.19⅝—	5.18⅛—17½
Swiss—Bankers' sight	5.18⅛—	5.19⅝—	5.21¼—	5.20 1/32— 1/32	5.20 —19⅝
Berlin—Bankers' 60 days	94 11/16— 13/16	94 1/16— ⅜	93 15/16—94	94¼— ⅝	94 7/16— 9/16
" Bankers' sight	95 1/16—	94⅞— 15/16	94½— 9/16	94 11/16—	94 13/16— ⅞
Belgium—Bankers' sight	5.19⅝—	5.19⅝—18¾	5.21⅞— ¼	5.20 1/32— 1/32	5.18¾— ..
Amsterdam—Bankers' sight	40¼—	40¼—	40 1/16— ⅛	40⅛—	40¼— ..
Kronors—Bankers' sight	26.79—26.82	26.71—26.73	26.59 —26.62	26.65—26.67	26.68—26.70
Italian lire—sight	5.17½—16⅞	5.17½—16⅞	5.20⅝—19⅝	5.18¾— ⅛	5.17½—16⅞

SILVER.—The price of silver in London advanced very steadily in the first half of the month, touching 27 5-16d on January 14. Later it declined, falling to 25½d on January 25, and closing at 25¾d on January 30.

MONTHLY RANGE OF SILVER IN LONDON—1902, 1903, 1904.

MONTH.	1902.		1903.		1904.		MONTH.	1902.		1903.		1904.	
	High	Low.	High	Low.	High	Low.		High	Low.	High	Low.	High	Low.
January	26 1/16	25⅜	22⅜	21 11/16	27 5/16	25½	July	24 9/16	24 5/16	25⅜	24¼	....	....
February	25¾	25 5/16	22 5/16	21⅞	....	....	August	24 7/16	24⅛	26¾	25 5/16	....	....
March	25 7/16	24 13/16	22 13/16	22⅛	....	....	Septemb'r	24⅛	23 9/16	26 7/16	26 3/16	....	....
April	24⅞	23 5/16	25 1/16	22⅝	....	....	October	23 13/16	23¼	28½	27 7/16	....	....
May	24⅛	23 5/16	25¼	24 5/16	....	....	Novemb'r	23¼	21¾	27⅝	26¼	....	....
June	24 7/16	23 15/16	24 9/16	24⅛	....	....	Decemb'r	22½	21 13/16	26⅛	25	....	....

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	Asked.		Bid.	Asked.
Sovereigns & Bk. of Eng. notes	$4.85	$4.88	Mexican 20 pesos	$19.52	$19.60
Twenty francs	3.84	3.88	Ten guilders	3.95	4.00
Twenty marks	4.73	4.76	Mexican dollars	.42¼	.45
Twenty-five pesetas	4.78	4.81	Peruvian soles	.40	.43¾
Spanish doubloons	15.55	15.65	Chilian pesos	.40	.43¾
Mexican doubloons	15.50	15.65			

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 25¾d. per ounce. New York market for large commercial silver bars, 55¾ @ 57c. Fine silver (Government assay), 55⅞ @ 57½c. The official price was 55⅝c.

Gold and Silver Coinage.—The United States mints coined in January $2,765,-000 gold, $4.657,000 silver, and $96,780 minor coins, a total of $7,518,780. Of the silver coinage $4,452,000 was in standard dollars. There were 500,000 pieces coined also for the Government of Venezuela.

Coinage of the United States.

	1902.		*1903.*		*1904.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
January	$7,660,000	$2,908,687	$7,685,178	$1,707,000	$2,765,000	$4,657,000
February	6,643,850	2,489,000	7,488,510	1,521,000	....	....
March	1,558	2,965,577	6,879,920	1,595,987	....	....
April	3,480,315	3,388,278	187,400	1,809,000	....	....
May	426,000	1,873,000	69,000	1,584,000	....	....
June	500,845	2,464,353	610	3,840,222	....	....
July	2,120,000	2,254,000	....	837,827	....	....
August	8,040,000	2,236,000	450.000	452,000	....	....
September	3,560,860	2,831,165	645,692	1,807,469	....	....
October	1,890,000	2,287,000	1,540,000	2,324,000	....	....
November	2,675,000	2,399,000	8,794,600	1,401,000	....	....
December	6,277,925	1,962,216	10,043,060	1,567.435	....	....
Year	$47,109,852	$29,928,167	$43,683,970	$19,874,440	$2,765,000	$4,657,000

European Banks.—The Bank of England gained $25,000,000 gold in January but holds about $1,000,000 less than it had a year ago. France lost about $3,000,000, while Germany gained $8,000,000 and Russia $4,000,000.

Gold and Silver in the European Banks.

	Dec. 1, 1903.		*January 1, 1904.*		*February 1, 1904.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England	£31,893,236	....	£28,911,873	....	£34,186,126	....
France	95,901,259	£44,363,084	94,481,568	£44,110,288	93,805,540	£44,162,889
Germany	34,495,000	12,120,000	32,484,000	11,414,000	34,153,000	12,000,000
Russia	80,821,000	6,616,000	85,185,000	7,110,000	86,050,000	7,318,000
Austria-Hungary	46,536,000	12,218,000	46,485,000	12,182,000	46,632,000	12,452,000
Spain	14,516,000	18,981,000	14,545,000	19,159,000	14,570,000	19,147,000
Italy	21,090,000	3,305,100	21,316,400	3,335,000	21,896,000	3,310,000
Netherlands	4,113,800	6,363,900	4.189,000	6,541,500	5,017,900	6,542,500
Nat. Belgium	3,238,667	1,619,333	3,152,667	1,576,333	3,208,667	1,604,333
Totals	£332,604,962	£105,531,417	£330,750,508	£105,428,121	£339,519,233	£106,531,742

National Bank Circulation.—The total volume of National bank circulation shows an increase of nearly $1,700,000 for the month of January, and the bonds de-

National Bank Circulation.

	Oct. 31, 1903.	*Nov. 30, 1903.*	*Dec. 31, 1903.*	*Jan. 31, 1904.*
Total amount outstanding	$419,610,683	$421,106,979	$425,163,018	$426,857,627
Circulation based on U. S. bonds	380,650,821	383,018,481	387,273,623	387,657,731
Circulation secured by lawful money	38,959,862	38,088,495	37,889,395	39,199,896
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	2,797,200	2,487,200	2,425,200	2,432,950
Five per cents. of 1894	718,650	718,650	356,150	44,750
Four per cents. of 1895	1,410,100	1,245,100	1,245,100	1,247,600
Three per cents. of 1898	1,797,580	1,707,580	1,717,580	1,708,100
Two per cents. of 1900	376,003,300	378,467,400	383,591,650	384,798,300
Total	$382,726,830	$384,625,930	$389,335,680	$390,231,600

The National banks have also on deposit the following bonds to secure public deposits; 4 per cents. of 1907, $5,695,200; 5 per cents. of 1894, $528,000; 4 per cents. of 1895, $11,787,550; 3 per cents. of 1898, $7,731,920; 2 per cents. of 1930, $111,539,100: District of Columbia 3.65's, 1924, $1.864,000; State and city bonds, $23,204,170; Philippine Island certificates, $6,000,000; Hawaiian Islands bonds, $1,092,000, a total of $169,441,940.

posited to secure circulation increased about $900,000. Still the circulation based on bonds increased less than $400,000, while the lawful money deposited to retire circulation increasd $1,300,000.

United States Foreign Trade.—The extraordinary exports of merchandise in December, nearly $175,000,000, are without parallel in any previous month in the history of the United States. More than $72,000,000 of the total value is represented by cotton exports, which have been not only large in quantity but at higher prices than formerly ruled. The December exports of merchandise raised the total for the year to nearly $1,485,000,000, exceeding by $7,000,000 the high record made in 1900. The imports of merchandise during the year reached $995,000,000, which is also a record for that part of our foreign trade. The balance of net exports is $489,000,000, or nearly $100,000,000 larger than in 1902. Net gold imports reached nearly $21,000,000.

Exports and Imports of the United States.

Month of December.	Merchandise.			Gold Balance.	Silver Balance.
	Exports.	Imports.	Balance.		
1898	$137,850,504	$55,139,139	Exp., $82,711,455	Imp., $7,537,544	Exp., $2,618,245
1899	123,268,033	70,733,843	" 52,534,190	Exp., 6,237,265	" 2,674,695
1900	145,889,871	68,697,207	" 77,192,664	Imp., 2,976,078	" 4,240,482
1901	136,941,539	79,929,271	" 57,012,268	Exp., 1,952,601	" 1,934,849
1902	147,992,403	94,356,987	" 53,635,416	" 666,476	" 2,845,589
1903	174,734,368	77,750,284	" 96,984,084	Imp., 15,765,642	" 3,000,589
Twelve Months.					
1898	1,255,546,266	634,964,448	Exp., 620,581,818	Imp., 141,968,998	Exp., 24,665,724
1899	1,275,467,971	798,967,410	" 476,500,561	" 5,955,553	" 22,617,808
1900	1,477,946,113	829,149,714	" 648,796,399	" 12,614,461	" 26,121,321
1901	1,465,375,860	880,419,910	" 584,955,950	Exp., 3,022,059	" 24,491,576
1902	1,360,685,933	969,316,870	" 391,369,063	Imp., 8,162,728	" 22,870,019
1903	1,484,668,127	995,473,101	" 489,195,026	" 20,920,862	" 15,224,425

Government Revenues and Disbursements.—The revenues of the Government in January were $41,588,370 and the disbursements were $48,372,553, leaving a deficit of nearly $6,800,000, which wipes out all the surplus for the six months except about $1,600,000. From July 1, 1902, to Feb. 1, 1903, the surplus was in excess of $28,000,000. The corresponding seven months of the present fiscal year shows a decrease in the surplus of $26,500,000, caused by a decrease of $15,200,000 in receipts and an increase of $11,300,000 in disbursements. January disbursements this year were $16,000,000 more than in December.

United States Treasury Receipts and Expenditures.

Receipts.

Source.	January, 1904.	Since July 1, 1903.
Customs	$21,190,240	$154,989,727
Internal revenue	16,468,836	139,192,314
Miscellaneous	3,929,794	25,243,802
Total	$41,588,370	$319,425,848
Excess of receipts	*6,784,183	1,641,671

Expenditures.

Source.	January, 1904.	Since July 1, 1903.
Civil and mis	$15,300,331	$82,450,313
War	9,275,521	71,402,828
Navy	8,552,650	58,847,374
Indians	772,827	6,828,569
Pensions	10,252,460	83,061,615
Interest	4,219,264	16,196,464
Total	$48,372,558	$317,784,163

* Excess of expenditures.

United States Public Debt.—There was a decrease in the bonded debt of the United States in January of $1,200,000, represented by the retirement of an equal amount of the 5 per cent. bonds of 1904, now nearly all paid off. The cash balance in the Treasury was reduced $600,000 and the net debt less cash in the Treasury shows an increase of $900,000.

United States Public Debt.

	Jan. 1, 1903.	*Dec. 1, 1903.*	*Jan. 1, 1904.*	*Feb. 1, 1904.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent.......	$445,940,750	$538,012,650	$542,664,850	$542,909,950
Funded loan of 1907, 4 "	233,178,650	161,135,800	156,818,600	156,591,500
Refunding certificates, 4 per cent......	31,230	30,030	30,010	29,990
Loan of 1904, 5 per cent................	19,385,050	7,754,500	6,590,500	5,314,250
" 1925, 4 "	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent........	97,515,660	77,488,360	77,153,360	77,135,360
Total interest-bearing debt...........	$914,541,240	$902,911,240	$901,747,220	$900,470,950
Debt on which interest has ceased... ...	1,255,710	1,196,720	1,196,530	1,196,530
Debt bearing no interest:				
Legal tender and old demand notes.....	346,734,863	346,734,863	346,734,863	346,734,863
National bank note redemption acct..	42,169,652	37,292,775	36,976,574	38,534,696
Fractional currency.....................	6,872,594	6,871,240	6,870,587	6,870,587
Total non-interest bearing debt......	$395,774,109	$390,898,879	$390,582,025	$392,140,147
Total interest and non-interest debt.	1,311,574,059	1,295,006,839	1,293,525,775	1,293,807,627
Certificates and notes offset by cash in the Treasury:				
Gold certificates.........................	383,564,069	441,739,869	447,175,869	487,949,869
Silver "	468,957,000	473,041,000	472,247,000	464,261,000
Treasury notes of 1890	24,053,000	16,428,000	15,906,000	15,322,000
Total certificates and notes...........	$876,574,069	$931,208,869	$935,328,869	$967,532,869
Aggregate debt	2,188,148,128	2,226,215,708	2,228,854,644	2,261,340,496
Cash in the Treasury:				
Total cash assets	1,331,081,200	1,398,957,932	1,405,621,982	1,413,110,668
Demand liabilities.......................	966,671,820	1,029,720,503	1,026,247,087	1,034,365,584
Balance	$364,409,380	$369,237,429	$379,374,895	$378,745,084
Gold reserve............................	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance........................	214,409,380	219,237,429	229,374,895	228,745,084
Total	$364,409,380	$369,237,429	$379,374,895	$378,745,084
Total debt, less cash in the Treasury.	947,164,679	925,769,410	914,150,880	915,062,543

Money in the United States Treasury.—While the gross amount of money in the United States Treasury last month increased $30,000,000, there was an increase of $38,000,000 in certificates outstanding, making a decrease in net cash of nearly $8,000,000. The net gold in the Treasury decreased $26,000,000.

Money in the United States Treasury.

	Jan. 1, 1903.	*Dec. 1, 1903.*	*Jan. 1, 1904.*	*Feb. 1, 1904.*
Gold coin and bullion.....................	$617,196,083	$671,082,644	$686,651,991	$698,935,700
Silver dollars..............................	470,783,167	477,655,784	477,594,756	485,656,379
Silver bullion..............................	23,057,667	12,711,491	11,579,510	7,151,148
Subsidiary silver.........................	6,419,206	8,106,009	8,306,927	10,433,124
United States notes......................	2,910,158	2,387,365	3,408,578	8,988,196
National bank notes......................	16,251,253	8,141,361	12,009,829	18,654,036
Total.....................................	$1,136,617,534	$1,180,084,654	$1,199,551,591	$1,229,818,583
Certificates and Treasury notes, 1890, outstanding..............................	833,909,877	886,953,291	902,745,162	940,743,110
Net cash in Treasury.....................	$302,707,657	$293,131,363	$296,806,429	$289,075,473

Supply of Money in the United States.—An increase of $12,000,000 in gold

Supply of Money in the United States.

	Jan. 1, 1903.	*Dec. 1, 1903.*	*Jan. 1, 1904.*	*Feb. 1, 1904.*
Gold coin and bullion	$1,246,876,715	$1,298,107,736	$1,314,622,524	$1,326,841,555
Silver dollars..............................	549,093,501	558,455,744	559,167,979	563,619,979
Silver bullion..............................	23,057,667	12,711,491	11,579,510	7,151,148
Subsidiary silver..........................	100,769,875	105,236,815	105,938,279	105,903,449
United States notes.......................	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes......................	384,929,784	421,106,979	425,163,018	426,857,627
Total.....................................	$2,651,408,558	$2,742,299,781	$2,763,152,326	$2,777,054,774

and of $1,700 000 in National bank notes accounts for the increase of nearly $14,000,-000 in the total stock of money in the country last month. Gold imports have contributed to the large increase in the gold supply in the last few months.

MONEY IN CIRCULATION IN THE UNITED STATES.—There was an increase of nearly $22,000,000 in the amount of money in circulation last month. As there was an increase of $48,000,000 in gold certificates alone, decreases in other forms of money were heavy; silver certificates decreased $10,000,000, silver dollars $3,500,000, fractional silver $3,000,000, United States notes $5,500,000 and National bank notes $5,000,000.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1903.	*Dec. 1, 1903.*	*Jan. 1, 1904.*	*Feb. 1, 1904.*
Gold coin	$629,680,632	$627,025,092	$627,970,538	$627,905,855
Silver dollars	78,310,834	80,799,960	81,578,223	77,963,600
Subsidiary silver	94,350,669	97,130,806	97,631,352	95,470,825
Gold certificates	346,418,819	404,070,929	421,080,019	469,578,609
Silver certificates	463,570,632	466,501,082	465,836,290	455,935,828
Treasury notes, Act July 14, 1890	23,920,426	16,381,280	15,828,853	15,238,678
United States notes	343,770,858	344,293,651	343,272,438	337,692,820
National bank notes	368,678,531	412,965,618	413,153,189	408,203,591
Total	$2,348,700,901	$2,449,168,418	$2,466,345,897	$2,487,979,301
Population of United States	79,799,000	81,061,000	81,177,000	81,292,000
Circulation per capita	$29.43	$30.21	$30.38	$30.61

EASTERN TOWNSHIPS BANK—ANNUAL MEETING.—The forty-fifth annual meeting of the shareholders of the Eastern Townships Bank was held in the board room of the bank, at Sherbrooke, Quebec, at 2 o'clock, on Wednesday, December 2. There were present a good number of shareholders. The President took the chair and the General Manager acted as secretary. C. W. Cate and Wm. Morris were appointed scrutineers of votes.

The minutes of the last annual meeting having been read, President William Farwell, on behalf of the directors, read the following report:

"In consequence of the change of date of holding the annual meeting from the month of June, as heretofore, to December, the statements submitted herewith cover the operations of the bank for six months only.

As foreshadowed in the last annual report, your directors have decided to apply $65,000 of the amount brought forward in May last in reduction of values.

The result of the business for the half year has been most satisfactory, showing a balance of profit after providing for current expenses, interest on deposits and all current losses, of $144,359.75. Out of this amount a dividend at the rate of eight per cent. per annum has been declared, payable on January 2, next, and sufficient with the balance of premium on new stock has been transferred to reserve fund to bring that account up to $1,450,000 leaving a balance to carry forward of $27,647.57. All the offices have giving satisfactory returns.

The crops, contrary to indications in the early part of the season, turned out satisfactorily, and prices for produce, both dairy and field, are fully equal to those of previous years. The lumber business, however, owing to the severe drought which prevailed and prevented bringing logs to the mills, has been very bad, what small stocks were on hand have realized better prices, but it really means in most cases the loss of one year's business, if not more, by loss of logs as well.

The large addition to the head office building is nearly completed, and we have now a fine and commodious office enabling the management to handle the increasing business much more satisfactorily. New buildings are under construction at Richmond and Huntingdon and will be ready for occupation it is hoped early in the year. Plans for Coaticook and Rock Island are prepared and work on them will be commenced early in the spring; plans are also being prepared for the Montreal building.

In conclusion, your directors have much pleasure in recording their satisfaction with the zeal and attention shown by the General Manager, the inspector, the managers, and all other officers of the bank in their close attention to the interests committed to their charge."

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of January, and the highest and lowest during the year 1904, by dates, and also, for comparison, the range of prices in 1903:

	Year 1903.		Highest and Lowest in 1904.		January, 1904.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	89⅞	54	70¾ Jan. 22	65⅝—Jan. 6	70¾	65⅝	69¾
" preferred	103⅛	84⅜	92¾—Jan. 22	87⅝—Jan. 6	92¾	87⅝	91¼
Baltimore & Ohio	104	71⅝	85⅞—Jan. 27	76⅛—Jan. 6	85⅞	76⅛	83⅝
Baltimore & Ohio, pref	96¾	82¾	92 —Jan. 28	89 —Jan. 6	92	89	91¾
Brooklyn Rapid Transit	71⅛	29⅛	52¼—Jan. 2	47 —Jan. 30	52¼	47	47
Canadian Pacific	138¾	115⅝	121¼—Jan. 22	116 —Jan. 6	121¼	116	118
Canada Southern	78⅛	57⅛	68¼—Jan. 2	66 —Jan. 15	68¼	66	67⅞
Central of New Jersey	190	158	163¾—Jan. 19	160 —Jan. 2	163¾	160	161
Ches. & Ohio	53⅝	27¼	36 —Jan. 28	32 —Jan. 15	36	32	34⅛
Chicago & Alton	37¼	18⅛	38⅛—Jan. 19	33 —Jan. 2	38⅛	33	36⅞
" preferred	75½	60	85¼ Jan. 21	75 —Jan. 6	85¼	75	83¾
Chicago, Great Western	29⅝	18	17¾—Jan. 22	14¾—Jan. 6	17¾	14¾	16⅝
Chic., Milwaukee & St. Paul	183¼	133¼	148¼—Jan. 22	140¾—Jan. 6	148¼	140¾	144¼
" preferred	194¼	168	179½—Jan. 22	177 —Jan. 2	179½	177	178
Chicago & Northwestern	224½	153	170⅝—Jan. 23	164¾—Jan. 6	170⅝	164¾	167½
" preferred	250	190	214½—Jan. 23	210⅞—Jan. 21	214½	210⅞	214½
Chicago Terminal Transfer	19⅞	8	12¾—Jan. 15	9 - Jan. 5	12¾	9	10½
" preferred	36	15	26½—Jan. 15	18 —Jan. 2	26½	18	22½
Clev., Cin., Chic. & St. Louis	99⅝	66	80¾—Jan. 22	77 —Jan. 9	80¾	77	78½
Col. Fuel & Iron Co	82½	24	34½—Jan. 27	27⅝—Jan. 7	34½	27⅝	31¾
Colorado Southern	31⅜	10	19 - Jan. 12	15 —Jan. 2	19	15	18
" 1st preferred	72	44½	58½—Jan. 25	54 —Jan. 4	58½	54	58
" 2d preferred	48	17	28⅜—Jan. 22	23 —Jan. 2	28⅜	23	25½
Consolidated Gas Co	222	164	196½—Jan. 25	189 —Jan. 4	196½	189	193¼
Delaware & Hud. Canal Co	183½	149	168½—Jan. 22	163 —Jan. 4	168½	163	167½
Delaware, Lack. & Western	275½	230	275 —Jan. 14	264 —Jan. 4	275	264	272½
Denver & Rio Grande	43	18	23⅜—Jan 22	19⅝—Jan. 8	23⅜	19⅝	21⅞
" preferred	90½	62	74⅞—Jan. 22	69⅞—Jan. 4	74⅞	69⅞	72¼
Detroit Southern	20⅝	7	14¾—Jan. 23	10 —Jan. 7	14¾	10	11⅞
" preferred	39¾	14	29½—Jan. 25	24 —Jan. 6	29½	24	28¼
Duluth So. S. & Atl., pref	29⅞	10	16¾—Jan. 23	13 —Jan. 2	16¾	13	14¾
Erie	42⅝	23	29¼—Jan. 2	27⅛—Jan. 15	29¼	27⅛	27⅞
" 1st pref	74	62½	69¾—Jan. 27	66⅝—Jan. 29	69¾	66⅝	66⅝
" 2d pref	64⅞	44	50½—Jan. 2	47 —Jan. 7	50½	47	47½
Evansville & Terre Haute	72½	39½	66½—Jan. 27	62 —Jan. 11	66½	62	66½
Express Adams	235	214	225 —Jan. 6	223 —Jan. 11	225	223	223
" American	235	171	197 —Jan. 27	195 —Jan. 23	197	195	196¼
" United States	150¼	95	110 —Jan. 25	107½- Jan. 13	110	107½	110
" Wells, Fargo	249½	191	212 —Jan. 6	212 —Jan. 6	212	212	212
Hocking Valley	106½	63	77⅛—Jan. 22	72 —Jan. 5	77⅛	72	76½
" preferred	99¼	77	85 —Jan. 7	83¾-Jan. 30	85	83¾	83¾
Illinois Central	151	125⅛	134¾—Jan. 28	129 —Jan. 6	134¾	129	133
Iowa Central	48	16	22⅞—Jan. 8	20 —Jan. 5	22⅞	20	22
" preferred	77⅜	30½	42 —Jan. 14	38¼—Jan. 7	42	38¼	39
Kansas City Southern	36¼	16½	21 —Jan. 21	18¾—Jan. 7	21	18¾	20½
" preferred	61¼	29	38¾—Jan. 19	33 —Jan. 7	38¾	33	36½
Kans. City Ft. S. & Mem. pref	82¾	62¼	69 —Jan. 21	66½—Jan. 7	69	66½	66⅝
Louisville & Nashville	130½	95	111½—Jan. 22	106 —Jan. 6	111½	106	107
Manhattan consol	155½	126¼	146⅛—Jan. 22	141½—Jan. 6	146⅛	141½	143½
Metropolitan securities	128⅞	70½	92 —Jan. 21	87¾—Jan. 4	92	87¾	89¾
Metropolitan Street	142⅞	99⅞	124 —Jan. 2	120 —Jan. 6	124	120	121
Mexican Central	29	8½	14½—Jan. 11	9¾—Jan. 2	14½	9¾	12½
Minneapolis & St. Louis	110	41	67¾ Jan. 18	62¼—Jan. 2	67¾	62¼	67¼
" preferred	118	83	94¾—Jan. 21	90 —Jan. 6	94¾	90	93
Minn., S. P. & S. S. Marie	79½	42	67 —Jan. 20	55 - Jan. 4	67	55	64¼
" preferred	132¼	109½	126¾—Jan. 28	118 —Jan. 7	126¾	118	125½
Missouri, Kan. & Tex	30⅛	15½	19 —Jan. 21	16¼—Jan. 6	19	16¼	17½
" preferred	63½	33	42½—Jan. 22	38 —Jan. 6	42½	38	39¼
Missouri Pacific	115⅞	85¾	95⅞—Jan. 22	90⅝—Jan. 6	95⅞	90⅝	93½
Natl. of Mexico, pref	47⅝	34½	41 —Jan. 11	34⅞—Jan. 7	41	34⅞	38½
" 2d preferred	28½	17	21⅞—Jan. 8	17½—Jan. 7	21⅞	17½	20½
N. Y. Cent. & Hudson River	156	112⅝	122 —Jan. 8	117⅛—Jan. 2	122	117⅛	119½
N. Y., Chicago & St. Louis	45	19½	32¼—Jan. 23	26½—Jan. 12	32¼	26½	30
" 2d preferred	87	50	69 —Jan. 26	63 —Jan. 19	69	63	65

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	YEAR 1903.		HIGHEST AND LOWEST IN 1904.		JANUARY, 1904.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
N. Y., Ontario & Western.....	35¼	19	24¼—Jan. 25	21⅛—Jan. 7	24¼	21⅛	23
Norfolk & Western............	76¼	54¾	62¾—Jan. 28	56½—Jan. 6	62¾	56½	60¾
" preferred............	93½	85	89 —Jan. 5	89 —Jan. 5	89	89	89
North American Co...........	124½	68	90 —Jan. 26	82 —Jan. 6	90	82	87
Pacific Mail....................	42¾	17	33½—Jan. 18	25 —Jan. 4	33¼	25	27½
Pennsylvania R. R............	157⅝	110¾	123⅛—Jan. 27	116½—Jan. 6	123⅛	116½	120¼
People's Gas & Coke of Chic.	108⅜	87¾	102⅝—Jan. 23	95½—Jan. 6	102⅝	95½	100⅞
Pullman Palace Car Co.......	235¾	196	219½—Jan. 22	215 —Jan. 14	219½	215	217½
Reading........................	69¼	37⅛	48 —Jan. 25	43⅜—Jan. 6	48	43⅜	45⅛
" 1st prefered..........	89⅞	73	81 —Jan. 25	77¼—Jan. 5	81	77¼	80
" 2d preferred..........	81	55¾	62 —Jan. 25	59 —Jan. 13	62	59	62
Rock Island..................	53⅝	19½	27⅛—Jan. 22	20¾—Jan. 14	27⅛	20¾	24⅛
" preferred............	86	55¾	68⅞—Jan. 22	57¾—Jan. 6	68⅞	57¾	64½
St. L. & San Fran. 2d pref....	78	39	49¼—Jan. 23	39¼—Jan. 6	49¼	39¼	48
St. Louis & Southwestern....	30	12	16¼—Jan. 22	13½—Jan. 7	16¼	13½	14¾
" preferred............	66	24	36¾ Jan. 23	31½—Jan. 4	36¾	31½	34
Southern Pacific Co...........	68¼	38⅝	52½—Jan. 27	46⅜—Jan. 6	52½	46⅜	50½
Southern Railway............	36⅞	16½	23⅛—Jan. 27	19¼—Jan. 6	23⅛	19¼	22⅜
" preferred............	96	69½	86¼—Jan. 22	77½—Jan. 6	86¼	77½	84
Tennessee Coal & Iron Co....	68¾	25⅞	41 —Jan. 27	35 —Jan. 6	41	35	38½
Texas & Pacific................	43⅝	20½	27¾—Jan. 23	24 —Jan. 6	27¾	24	26⅛
Toledo, St. Louis & Western..	31⅞	15	29½—Jan. 23	23½—Jan. 4	29½	23½	27½
" preferred............	48	24	39¾—Jan. 13	37 —Jan. 4	39¾	37	38¾
Union Pacific..................	104⅝	65½	82½—Jan. 22	76½—Jan. 6	82½	76½	80¾
" preferred............	95¼	83½	91½—Jan. 29	88⅞—Jan. 7	91½	88⅞	91
Wabash R. R..................	32¾	16⅝	21¾—Jan. 27	19⅛—Jan. 4	21¾	19⅛	20½
" preferred............	55¼	27½	41 —Jan. 25	35⅝—Jan. 5	41	35⅝	39¼
Western Union................	93	80¼	89 —Jan. 27	86 —Jan. 6	89	86	88⅝
Wheeling & Lake Erie........	27½	12	19⅛—Jan. 22	17⅛—Jan. 9	19⅛	17⅛	18½
" second preferred....	38½	20	29¾—Jan. 27	24 —Jan. 7	29¾	24	27¼
Wisconsin Central............	29¼	14½	21⅞—Jan. 20	16½—Jan. 4	21⅞	16½	20
" preferred............	55½	38	47⅞—Jan. 27	38 —Jan. 4	47⅞	38	45
"INDUSTRIAL"							
Amalgamated Copper........	75⅝	35⅝	52 —Jan. 2	47½ - Jan. 2	52	47½	48
American Car & Foundry....	41¾	17¼	21⅝—Jan. 27	17¾—Jan. 6	21⅝	17¾	19⅝
" pref.................	93	60½	72 —Jan. 27	67 —Jan. 6	72	67	70
American Co. Oil Co..........	46¼	25¼	32⅞—Jan. 25	28½—Jan. 7	32⅞	28½	31
American Ice	11⅞	4	9¼—Jan. 2	7⅜—Jan. 12	9¼	7⅜	8⅜
American Locomotive........	31⅝	10½	23 —Jan. 27	16½—Jan. 6	23	16½	20¾
" preferred............	95¾	67½	80½—Jan. 27	75½—Jan. 6	80½	75½	79½
Am. Smelting & Refining Co.	52⅞	36¾	51½—Jan. 28	47½—Jan. 7	51½	47½	49½
" preferred............	99½	80¼	94½—Jan. 28	88¾—Jan. 6	94½	88¾	93⅞
American Sugar Ref. Co......	134⅜	107⅛	131⅝—Jan. 25	123¼—Jan. 6	131⅝	123¼	127⅜
Anaconda Copper Mining....	125½	58	78½—Jan. 5	72 —Jan. 29	78½	72	72
Continental Tobacco Co.pref.	119	94¾	109½—Jan. 22	101½—Jan. 4	109½	101½	106
Corn Products................	35	15½	22⅝—Jan. 25	17¼—Jan. 6	22⅝	19¼	20⅝
" preferred............	85½	60	74½—Jan. 23	68⅜—Jan. 15	74½	68⅜	72
Distillers securities...........	34¾	20	26½—Jan. 21	23½—Jan. 2	26½	23½	25
General Electric Co...........	204	138	179¼—Jan. 23	169¾—Jan. 5	179¼	169¾	170½
International Paper Co......	19⅞	9	14⅜—Jan. 25	10¾—Jan. 6	14⅜	10¾	13¾
" preferred............	74¼	57½	67½—Jan. 23	64⅝ Jan. 2	67½	64⅝	66½
National Biscuit..............	47⅝	32	40½—Jan. 22	36 —Jan. 4	40½	36	40
National Lead Co.............	29½	10½	16½—Jan. 23	14½—Jan. 4	16½	14½	15½
Pressed Steel Car Co..........	65¾	22½	33 —Jan. 28	27 —Jan. 7	33	27	31
" preferred............	95	62½	72½—Jan. 28	69 —Jan. 2	72½	69	71½
Republic Iron & Steel Co.....	22⅝	5⅝	8¾—Jan. 25	6½—Jan. 6	8¾	6½	7½
" preferred............	80⅜	36¾	49½—Jan. 23	40½—Jan. 4	49½	40½	44½
Rubber Goods Mfg. Co........	30	12	22¼—Jan. 27	17¼—Jan. 6	22¼	17¼	21
" preferred............	84½	60	79½—Jan. 27	74¾—Jan. 15	79½	74¾	79
U. S. Leather Co.............	15¼	6	8¼—Jan. 25	7⅛—Jan. 4	8¼	7⅛	7⅜
" preferred............	96¾	71½	79¾ - Jan. 25	75⅝—Jan. 4	79¾	75⅝	78¼
U. S. Realty & Con...........	28½	4	9⅜—Jan. 21	5⅛—Jan. 15	9⅜	5⅛	8
" preferred............			56⅞—Jan. 21	40 —Jan. 14	56⅞	40	54¼
U. S. Rubber Co...............	19⅛	7	14⅝—Jan. 27	10¾—Jan. 12	14⅝	10¾	13½
" preferred............	58	30¼	54½ Jan. 27	41 —Jan. 4	54½	41	53
U. S. Steel......................	39⅞	10	12⅝—Jan. 2	9⅝—Jan. 6	12⅝	9⅝	10⅞
" pref......................	89¾	49¾	60 —Jan. 22	54⅝—Jan. 6	60	54⅝	54⅞

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

Last Sale, Price and Date and Highest and Lowest Prices and Total Sales for the Month.

Note.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int's Paid.	Last Sale. Price.	Last Sale. Date.	January Sales. High.	January Sales. Low	January Sales. Total.
Ann Arbor 1st g 4's	1995	7,000,000	Q J	93⅛	Jan. 30,'04	93½	92	52,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	148,155,000	A & O	100	Jan. 30,'04	100⅛	98⅞	2,493,500
" registered		....	A & O	100	Jan. 28,'04	100	99¼	30,000
" adjustment, g. 4's	1995	25,616,000	NOV	89¼	Jan. 29,'04	90	87½	91,500
" registered		....	NOV	82½	Jan. 26,'04	82½	82½	2,000
" stamped	1995	26,112,000	M & N	89¾	Jan. 29,'04	89¾	87½	207,500
" serial debenture 4's—								
" series B	1904	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series C	1905	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series D	1906	2,500,000	F & A	100	Jan. 22,'04	100	100	5,000
" registered		....	F & A	....	....	....	....	....
" series E	1907	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series F	1908	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series G	1909	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series H	1910	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series I	1911	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series J	1912	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series K	1913	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series L	1914	2,500,000	F & A	92⅞	Nov. 10,'02	....	....	....
" registered		....	F & A	....	....	....	....	....
" East. Okla. div. 1st g. 4's	1928	5,645,000	M & S	93½	Dec. 21,'03	....	....	....
" " registered		....	M & S	....	....	....	....	....
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S	....	....	....	....	....
Atl. Knox. & Nor. Ry. 1st g. 5s	1946	1,000,000	J & D	114½	Oct. 8,'02	....	....	....
Atlan. Coast Line R. R. Co. 1st g. 4's	1952	35,344,000	M & S	93¾	Jan. 30,'04	94	92¾	600,000
" registered			M & S	....	....	....	....	....
Charleston & Savannah 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'99	....	....	....
Savanh Florida & W'n 1st g. 6's	1934	4,056,000	A & O	125½	Nov. 30,'03	....	....	....
" 1st g. 5's	1934	2,444,000	A & O	112⅝	Jan. 26,'04	112⅝	112⅝	1,000
" St. John's div. 1st g. 4's	1934	1,350,000	J & J	95¼	Nov. 30,'01	....	....	....
Alabama Midland 1st gtd g. 5's	1928	2,800,000	M & N	111	Apr. 20,'03	....	....	....
Brunswick & W'n 1st gtd. g. 4's	1938	3,000,000	J & J	87	Aug. 22,'01	....	....	....
Sil. Sps Oc. & G. RR. & ld g. gtd g. 4s	1918	1,067,000	J & J	91½	Oct. 30,'03	....	....	....
Balt. & Ohio prior lien g. 3½s	1925	71,798,000	J & J	95	Jan. 28,'04	95¼	93¼	391,000
" registered			J & J	94½	Jan. 12,'03	....	....	....
" g. 4s	1948	69,963,000	A & O	101½	Jan. 30,'04	102	100¾	603,000
" g. 4s. registered			A & O	99¾	Oct. 7,'03	....	....	....
" ten year c. deb. g. 4's	1911	592,000	M & S	94	Nov. 23,'03	....	....	....
Pitt Jun. & M. div. 1st g. 3½s	1925	11,293,000	M & N	89¾	Jan. 22,'04	89¾	87½	34,500
" registered			QFeb	....	....	....	....	....
Pitt L. E. & West Va. System refunding g 4s	1941	20,000,000	M & N	95	Jan. 28,'04	95	93¼	123,000
" Southw'n div. 1st g. 3½s	1925	43,590,000	J & J	88⅝	Jan. 29,'04	89	87⅝	469,000
" registered			Q J	90¼	July 16,'01	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	114¼	June 27,'02	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s	1908	1,009,000	M & S	109¾	Oct. 28,'03	....	....	....
Ptsbg Clev. & Toledo, 1st g. 6's	1922	515,000	A & O	122	Jan. 12,'04	122	122	1,000
Pittsburg & Western, 1st g. 4's	1917	688,000	J & J	98	Aug. 1,'03	....	....	....
" J. P. Morgan & Co. cer		1,921,000	......	100¼	Feb. 13,'03	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,427,000	M & S	116½	Jan. 27,'04	117	116½	6,000
Alleghany & Wn. 1st g. gtd 4's	1998	2,000,000	A & O	....	....	....	....	....
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	128	June 6,'02	....	....	....
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	124¼	June 22,'03	....	....	....
" cons. 1st 6's	1922	3,920,000	J & D	122½	Nov. 6,'03	....	....	....
Buff. & Susq. 1st refundg g. 4's	1951	3,309,000	J & J	98⅞	Jan. 21,'04	99	98½	37,000
" registered			J & J	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. Principal Due	Amount.	Int'st Paid.	LAST SALE. Price.	Date.	JANUARY SALES. High.	Low.	Total.
Burlington, Cedar R. & N. 1st 5's, 1906	6,500,000	J & D	102	Jan. 25,'04	102	101⅝	16,000
" con. 1st & col. tst 5's.1934	11,000,000	A & O	117	Jan. 19,'04	117	117	2,000
" registered		A & O	120½	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's.1921	1,905,000	A & O	118	Jan. 27,'02	....	....	....
Minneap's & St. Louis 1st 7's, g, 1927	150,000	J & D	40	Aug. 21,'95	....	....	....
Canada Southern 1st int. gtd 5's, 1908	14,000,000	J & J	103	Jan. 29,'04	103¼	102⅛	93,000
" 2d mortg. 5's ... 1913	6,000,000	M & S	107½	Jan. 21,'04	107½	106¼	25,000
" registered		M & S	107	Aug. 14,'03	....	....	....
Central Branch U. Pac. 1st g. 4's.1948	2,500,000	J & D	92½	Jan. 11,'04	92½	92½	2,000
Cent. R. & Bkg. Co. of Ga. c. g. 5's.1937	4,880,000	M & N	108½	Nov. 14,'03	....	....	....
Central R'y of Georgia, 1st g. 5's.1945	7,000,000	F & A	118	Jan. 20,'04	118	118	3,000
" registered $1,000 & $5,000		F & A	....		....	....	....
" con. g. 5's ... 1945	16,700,600	M & N	106	Jan. 29,'04	106½	103¾	156,000
" con. g. 5's, reg. $1,000 & $5,000		M & N	105½	Sept. 18,'01	....	....	....
" 1st. pref. inc. g. 5's ... 1945	4,000,000	OCT 1	70½	Jan. 29,'04	71½	68	124,000
" 2d pref. inc. g. 5's ... 1945	7,000,000	OCT 1	30¾	Jan. 30,'04	32	28	251,000
" 3d pref. inc. g. 5's ... 1945	4,000,000	OCT 1	20	Jan. 29,'04	20¼	19	117,000
" Chat. div. pur. my. g. 4's.1951	1,840,000	J & D	92	Aug. 21,'02	....	....	....
" Macon & Nor. Div. 1st g. 5's ... 1946	840,000	J & J	108½	Sept. 3,'02	....	....	....
" Mid. Ga. & Atl. div. g 5s.1947	413,000	J & J	102	June 29,'99	....	....	....
" Mobile div. 1st g. 5's ... 1946	1,000,000	J & J	108	July 2,'03	....	....	....
Central of New Jersey, gen. g. 5's ... 1987	45,091,000	J & J	131	Jan. 30,'04	131½	128½	66,000
" registered		Q J	130½	Jan. 25,'04	130½	130½	12,000
Am. Dock & Improvm't Co. 5's, 1921	4,987,000	J & J	111½	Jan. 26,'04	112½	111¼	3,000
Lehigh & H. R. gen. gtd g. 5's..1920	1,062,000	J & J	....		....	....	....
Lehigh & W.-B. Coal con. 5's...1912	2,691,000	Q M	105	Dec. 8,'03	....	....	....
" con. extended gtd. 4½'s.1910	12,175,000	Q M	101½	Jan. 29,'04	102	100	17,000
N.Y. & Long Branch gen. g. 4's.1941	1,500,000	M & S	....		....	....	....
Ches. & Ohio 6's, g., Series A ... 1908	2,000,000	A & O	110½	July 22,'03	....	....	....
" Mortgage gold 6's ... 1911	2,000,000	A & O	111	Jan. 2,'04	111	111	1,000
" 1st con. g. 5's ... 1939	25,858,000	M & N	116	Jan. 29,'04	116	114¾	274,000
" registered		M & N	112⅞	Oct. 28,'03	....	....	....
" Gen. m. g. 4½'s ... 1992	36,073,000	M & S	103½	Jan. 30,'04	104	102	1,121,000
" registered		M & S	95	Dec. 22,'03	....	....	....
" Craig Val. 1st g. 5's ... 1940	650,000	J & J	112	May 14,'03	....	....	....
" (R. & A. d.) 1st c. g. 4's, 1989	6,000,000	J & J	101	Jan. 26,'04	101	99½	89,000
" 2d con. g. 4's ... 1989	1,000,000	J & J	94½	Jan. 27,'04	94½	94½	1,000
" Warm S. Val. 1st g. 5's, 1941	400,000	M & S	106½	Oct. 29,'02	....	....	....
Greenbrier Ry. 1st gtd. 4's ... 1940	2,000,000	M & N	90⅝	Dec. 30,'03	....	....	....
Chic. & Alton R. R. ref. g. 3's ... 1949	29,696,000	A & O	83	Jan. 29,'04	83	81½	120,000
" " registered		A & O	....		....	....	....
Chic. & Alton Ry 1st lien g. 3½'s.1950	22,000,000	J & J	76½	Jan. 30,'04	77	74½	268,000
" registered		J & J	83¾	Apr. 16,'02	....	....	....
Chicago, Burl. & Quincy:							
" Chic. & Iowa div. 5's ... 1905	2,320,000	F & A	104¾	Apr. 11,'19	....	....	....
" Denver div. 4's ... 1922	5,030,000	F & A	101½	Jan. 15,'04	101½	101½	6,000
" Illinois div. 3½s ... 1949	41,000,000	J & J	92½	Jan. 28,'04	93	92	66,000
" registered		J & J	....		....	....	....
" (Iowa div.) sink. f'd 5's, 1919	2,505,000	A & O	109½	Dec. 23,'03	....	....	....
" 4's ... 1919	8,222,000	A & O	100¾	Nov. 6,'03	....	....	....
" Nebraska extensi'n 4's, 1927	25,627,000	M & N	106	Jan. 18,'04	106	105¾	16,000
" registered		M & N	105	Dec. 2,'03	....	....	....
" Southwestern div. 4's..1921	2,650,000	M & S	100	Jan. 2,'04	100	100	12,000
" 4's joint bonds ... 1921	215,205,000	J & J	93¼	Jan. 30,'04	94	90½	1,687,000
" " registered		Q JAN	91¼	Jan. 15,'04	91¼	90	3,000
" 5's, debentures ... 1913	9,000,000	M & N	105¾	Jan. 30,'04	106	105¾	22,000
Han. & St. Jos. con. 6's ... 1911	8,000,000	M & S	112	Jan. 25,'04	114½	112	7,000
Chicago & E. Ill. 1st s. f'd c'y. 6's.1907	2,989,000	J & D	106¼	Jan. 14,'04	106¼	106½	2,000
" small bonds		J & D	112	Apr. 2,'96	....	....	....
" 1st con. 6's, gold ... 1934	2,653,000	A & O	129¾	Oct. 22,'03	....	....	....
" gen. con. 1st 5's ... 1937	14,020,000	M & N	116⅝	Jan. 12,'04	116¾	115¾	35,000
" registered		M & N	119½	Apr. 13,'03	....	....	....
Chicago & Ind. Coal 1st 5's ... 1936	4,626,000	J & J	113	Jan. 16,'04	113	112¼	2,000
Chicago, Indianapolis & Louisville.							
" refunding g. 6's ... 1947	4,700,000	J & J	126¾	Jan. 28,'04	128	126¾	8,000
" ref. g. 5's ... 1947	4,442,000	J & J	108	July 24,'03	....	....	....
Louisv. N. Alb. & Chic. 1st 6's..1910	3,000,000	J & J	108	Jan. 18,'04	108	108	1,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st paid.	Last Sale. Price.	Last Sale. Date.	January Sales. High.	January Sales. Low.	January Sales. Total.
Chicago, Milwaukee & St. Paul.								
Chicago Mil. & St. Paul con. 7's	1905	1,751,000	J & J	167	Oct. 21,'03	....	....	....
" terminal g. 5's	1914	4,748,000	J & J	111¼	Dec. 15,'03	....	....	....
" gen. g. 4's, series A	1989	23,676,000	J & J	109	Jan. 25,'04	109	108⅛	4,000
" registered		....	Q J	111	Dec. 8,'02	....	....	....
" gen. g. 3½'s, series B	1989	2,500,000	J & J	98⅝	Jan. 15,'04	98⅝	98	15,000
" registered			J & J	....		....	....	....
" Chic. & Lake Sup. 5's	1921	1,360,000	J & J	116½	Apr. 29,'03	....	....	....
" Chic. & M. R. div. 5's	1926	3,083,000	J & J	119	Jan. 28,'04	119	119	1,000
" Chic. & Pac. div. 6's	1910	3,000,000	J & J	111	Jan. 14,'05	111	109⅝	2,000
" 1st Chic. & P. W. g. 5's	1921	25,340,000	J & J	116	Jan. 30,'04	116	114¾	45,000
" Dakota & Gt. S. g. 5's	1916	2,856,000	J & J	111½	Nov. 25,'03	....	....	....
" Far. & So. g. 6's assu.	1924	1,250,000	J & J	137½	July 18,'98	....	....	....
" 1st H'st & Dk. div. 7's	1910	5,680,000	J & J	116⅝	Jan. 29,'04	116⅝	116⅝	5,000
" 1st 5's	1910	990,000	J & J	106	Jan. 15,'04	106	106	2,000
" 1st 7's, Iowa & D, ex	1908	1,048,000	J & J	183	Feb. 28,'03	....	....	....
" 1st 5's, La. C. & Dav.	1919	2,500,000	J & J	113⅝	Oct. 28,'03	....	....	....
" Mineral Point div. 5's	1910	2,840,000	J & J	105¼	July 29,'03	....	....	....
" 1st So. Min. div. 6's	1910	7,432,000	J & J	110¾	Jan. 28,'04	110¾	110¾	1,000
" 1st 6's, Southw'n div.	1909	4,000,000	J & J	112½	Dec. 23,'03	....	....	....
" Wis. & Min. div. g. 5's	1921	4,755,000	J & J	114¾	Jan. 15,'04	114¾	114¾	2,000
" Mil. & N. 1st M. L. 6's	1910	2,155,000	J & D	113	Oct. 27,'03	....	....	....
" 1st con. 6's	1913	5,092,000	J & D	116	July 20,'03	....	....	....
Chic. & Northwestern con. 7's	1915	12,832,000	Q F	131	Dec. 16,'03	....	....	....
" extension 4's	1886-1926	18,632,000	F A 15	104	Jan. 2,'04	104	104	2,000
" registered			F A 15	106⅝	Oct. 9,'02	....	....	....
" gen. g. 3½'s	1987	20,538,000	M & N	99	Jan. 30,'04	99	98⅛	16,000
" registered			Q F	103	Nov. 19,'98	....	....	....
" sinking fund 6's	1879-1929	5,753,000	A & O	113¾	Dec. 15,'03	....	....	....
" registered			A & O	111½	Dec. 11,'03	....	....	....
" sinking fund 5s'	1879-1929	6,837,000	A & O	109½	Jan. 15,'04	109½	109½	3,000
" registered			A & O	106¾	Mar. 30,'03	....	....	....
" deben. 5's	1909	5,900,000	M & N	105⅛	Jan. 30,'04	105⅛	105⅛	9,000
" registered			M & N	104¼	Jan. 21,'04	104¼	104¼	2,000
" deben. 5's	1921	10,000,000	A & O	108⅞	Jan. 22,'04	108⅞	108⅞	1,000
" registered			A & O	108¾	Jan. 12,'04	108¾	108¾	5,000
" sinking f'd deben. 5's	1933	9,800,000	M & N	114½	Aug. 11,'03	....	....	....
" registered			M & N	123	May 28,'01	....	....	....
Des Moines & Minn. 1st 7's	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Milwaukee & Madison 1st 6's	1905	1,600,000	M & S	106	Nov. 5,'02	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	108	Oct. 9,'02	....	....	....
Ottumwa C. F. & St. P. 1st 5's	1909	1,600,000	M & S	105⅝	Nov. 17,'03	....	....	....
Winona & St. Peters 2d 7's	1907	1,592,000	M & N	111¼	Dec. 23,'03	....	....	....
Mil., L. Shore & We'n 1st g. 6's	1921	5,000,000	M & N	128¾	Jan. 28,'04	129	128⅝	5,000
" ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	119¾	Dec. 22,'03	....	....	....
" Ashland div. 1st g. 6's	1925	1,000,000	M & S	142½	Feb. 10,'02	....	....	....
" Michigan div. 1st g. 6's	1924	1,281,000	J & J	131¾	Dec. 3,'03	....	....	....
" con. deb. 5's	1907	436,000	F & A	107½	Feb. 21,'01	....	....	....
" incomes	1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup.	1917	12,500,000	J & J	122⅛	Jan. 12,'04	122⅛	122⅛	5,000
" registered	1917		J & J	125	Nov. 16,'03	....	....	....
" gen. g. 4's	1988	61,581,000	J & J	102¾	Jan. 29,'04	104	101	327,000
" registered			J & J	107	Jan. 16,'03	....	....	....
" coll. tr. ser. 4's ser. B	1904	1,494,000	M & N	98	Aug. 18,'03	....	....	....
" C	1905	1,494,000	M & N	100⅜	July 2,'02	....	....	....
" D	1906	1,494,000	M & N	....		....	....	....
" E	1907	1,494,000	M & N	....		....	....	....
" F	1908	1,494,000	M & N	....		....	....	....
" G	1909	1,494,000	M & N	....		....	....	....
" H	1910	1,494,000	M & N	99⅝	June 3,'02	....	....	....
" I	1911	1,494,000	M & N	....		....	....	....
" J	1912	1,494,000	M & N	....		....	....	....
" K	1913	1,494,000	M & N	....		....	....	....
" L	1914	1,494,000	M & N	....		....	....	....
" M	1915	1,494,000	M & N	99½	July 01,'02	....	....	....
" N	1916	1,494,000	M & N	99⅜	June 28,'20	....	....	....
" O	1917	1,494,000	M & N	....		....	....	....
" P	1918	1,494,000	M & N	87	Aug. 7,'03	....	....	....
Chic. Rock Is. & Pac. R.R. 4's	2002	69,557,000	M & N	71½	Jan. 30,'04	74¾	66½	5,486,000
" registered			M & N	88¼	Jan. 7,'03	....	....	....
" coll. trust g. 5's	1913	17,059,000	M & S	82	Jan. 30,'04	85	73	4,186,000
Choc., Okla. & Glf. gen. g. 5s	1919	1,200,000	J & J	104⅝	Jan. 26,'04	104⅝	103⅞	11,000
" con. g. 5's	1952	5,500,000	J & J			....	....	....
Des Moines & Ft. Dodge 1st 4's	1905	5,411,000	J & J	95¼	Oct. 1,'03	....	....	....
" 1st 2½'s	1905	1,200,000	J & J	90	Oct. 1,'03	....	....	....
" extension 4 s		672,000	J & J	98	Jan. 13,'04	98	93¼	12,000
Keokuk & Des M. 1st mor. 5's	1923	2,750,000	A & O	104½	Nov. 6,'03	....	....	....
" small bond	1923	....	A & O	107	Oct. 1,'01	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	LAST SALE. Date.	JANUARY SALES. High.	JANUARY SALES. Low.	JANUARY SALES. Total.
Chic., St.P., Minn.& Oma.con.6's	1930	14,643,000	J & D	131	Jan. 28,'04	132	130½	36,000
" con.6's reduced to 3½'s	1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's	1918	1,880,000	M & N	131	Jan. 25,'04	131	131	2,000
North Wisconsin 1st mort. 6's	1930	690,000	J & J	126½	Sept.23,'03	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	121¾	Jan. 16,'04	121¾	121½	13,000
Chic., Term. Trans. R. R. g. 4's	1947	13,635,000	J & J	78½	Jan. 29,'04	82	78	198,000
Chic. & Wn. Ind. gen'l g. 6's	1932	9,647,000	Q M	109½	Oct. 26,'03	....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	927,000	A & O	104½	Dec. 5,'03	....	....	....
" 2d g. 4½'s	1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's	1941	3,500,000	M & N	113	Dec. 22,'03	....	....	....
Clev., Cin., Chic.& St.L. gen.g. 4's	1993	17,657,000	J & D	97¼	Jan. 30,'04	97⅜	95⅝	201,000
" do Cairo div. 1st g. 4's	1939	5,000,000	J & J	101½	Oct. 8,'02	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	98	Nov.24,'03	....	....	....
St. Louis div. 1st col. trust g.4's	1990	9,750,000	M & N	101	Jan. 27,'03	101	100	16,000
" registered				99	Jan. 28,'04	99	99	1,000
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	102	Dec. 9,'02	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	94½	Aug.31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g.4's	1936	7,674,000	Q F	101	Jan. 27,'04	101	101	5,000
" registered				95	Nov.15,'94	....	....	....
" con. 6's	1920	668,000	M & N	105	Jan. 22,'04	105	105	4,000
Cin., S'dusky & Clev.con.1st g.5's	1928	2,571,000	J & J	112⅞	Nov.17,'03	....	....	....
Clev., C., C. & Ind. con. 7's	1914	3,991,000	J & D	120	July 28,'02	....	....	....
" sink. fund 7's	1914		J & D	119⅝	Nov.19,'89	....	....	....
" gen. consol 6's	1934	3,205,000	J & J	130	Dec. 15,'03	....	....	....
" registered			J & J	...	...	....	....	....
Ind. Bloom. & West. 1st pfd 4's	1940	981,500	A & O	104½	Nov.19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	...	...	....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	98	Jan. 27,'03	98	95½	181,000
" income 4's	1990	4,000,000	A	64	Jan. 27,'04	64½	60	109,000
Clev., Lorain & Wheel'g con.1st 5's	1933	5,000,000	A & O	112¼	Dec. 23,'03	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	127½	Jan. 25,'02	....	....	....
" registered			Q J	...	...	....	....	....
Col. Midld Ry. 1st g. 4's	1947	8,946,000	J & J	62	Jan. 20,'04	63¼	56	87,000
Colorado & Southern 1st g. 4's	1929	18,803,000	F & A	89½	Jan. 30,'04	89½	87	247,000
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	112⅝	Jan. 25,'04	112⅝	112⅝	1,000
Morris & Essex 1st m 7's	1914	5,000,000	M & N	129½	Jan. 25,'04	129½	129½	3,000
" 1st c. gtd 7's	1915	11,677,000	J & D	130¼	Dec. 19,'03	....	....	....
" registered			J & D	140	Oct. 26,'98	....	....	....
" 1st refund. gtd. g. 3½'s	2000	7,000,000	J & D	...	...	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	127	Jan. 5,'04	127	127	1,000
" const. 5's	1923	5,000,000	F & A	114½	Jan. 28,'04	114½	114½	2,000
" terml. imp. 4's	1923	5,000,000	M & N	100¼	Jan. 27,'04	100¼	100¼	5,000
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	109	Nov.23,'03	....	....	....
Warren Rd. 1st rfdg. gtd g. 3½'s	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
" 1st Penn. Div. c. 7's	1917	5,000,000	M & S	137⅛	Jan. 25,'04	137¼	137⅛	6,000
" reg	1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	108	Jan. 26,'04	108	108	10,000
" registered			A & O	122	June 6,'99	....	....	....
" 6's	1906	7,000,000	A & O	105½	Dec. 29,'03	....	....	....
" registered			A & O	109½	Nov.16,'01	....	....	....
Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	143¾	Nov.10,'02	....	....	....
" 1st r 7's	1921		M & N	147¾	June18,'03	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	33,450,000	J & J	98½	Jan. 30,'04	98½	97¾	114,000
" con. g. 4½'s	1936	6,382,000	J & J	106⅝	May 22,'03	....	....	....
" impt. m. g. 5's	1928	8,318,500	J & D	103½	Jan. 28,'04	103½	103	27,000
Rio Grande Western 1st g. 4's	1939	15,200,000	J & J	96⅞	Jan. 26,'04	97	94	110,000
" mge.&col.tr.g.4's ser.A	1949	12,200,000	A & O	85½	Jan. 25,'04	85½	83½	45,000
Utah Central 1st gtd. g. 4's	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Denv. & Southern Ry g. s. fg. 5's	1929	4,923,000	J & D	35	Jan. 21,'04	36	35	14,000
Des Moines Union Ry 1st g. 5's	1917	623,000	M & N	111	Feb. 28,'03	....	....	....
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	97	Dec. 4,'03	....	....	....
" g. 4s	1995	1,250,000	J & D	94	Jan. 2,'04	94	94	2,000
Detroit Southern 1st g. 4's	1951	3,866,000	J & D	75½	Aug.25,'03	....	....	....
" Ohio South. div. 1st g. 4's	1941	4,281,000	M & S	86	Nov.13,'03	....	....	....
Duluth & Iron Range 1st 5's	1937	6,732,000	A & O	111¼	Jan. 25,'04	111¼	110½	8,000
" registered			A & O	101½	July 23,'89	....	....	....
" 2d 1 m 6s	1916	2,000,000	J & J	...	...	....	....	....
Duluth So. Shore & At. gold 5's	1937	2,816,000	J & J	111	Jan. 28,'04	111	111	11,000
Elgin Joliet & Eastern 1st g 5's	1941	8,500,000	M & N	115	Jan. 13,'04	115	115	10,000

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Erie 1st ext. g. 4's	1947	2,482,000	M & N	114	May 25,'03	....	....	....
" 2d extended g. 5's	1919	2,149,000	M & S	112	Nov. 18,'03	....	....	....
" 3d extended g. 4½'s	1923	4,617,000	M & S	111	Jan. 14,'04	111	111	2,000
" 4th extended g. 5's	1920	2,926,000	A & O	114½	Jan. 11,'04	114½	114½	10,000
" 5th extended g. 4's	1928	709,500	J & D	101⅞	June26,'03	....	....	....
" 1st cons gold 7's	1920	16,890,000	M & S	135½	Jan. 27,'04	135½	132⅞	53,000
" 1st cons. fund g. 7's	1920	3,699,500	M & S	130	Aug. 7,'03	....	....	....
Erie R.R. 1st con.g-4s prior bds.	1996	35,000,000	J&J	98	Jan. 30,'04	98¼	97	331,000
" registered			J&J	98½	Jan. 21,'04	98½	98½	10,000
" 1st con. gen. lien g. 4s.	1996	34,885,000	J&J	86½	Jan. 30,'04	86¾	84	366,000
" registered			J&J	....	....	....	....	....
" Penn. col. trust g. 4's.	1951	32,000,000	F & A	93¼	Jan. 29,'04	93½	89½	175,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	125½	June17,'03	....	....	....
Buffalo & Southwestern g. 6's	1908	1,500,000	J&J	....	....	....	....	....
" small			J&J	....	....	....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	118	Jan. 29,'04	118¾	117½	11,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	106	Aug. 5,'02	....	....	....
Long Dock consol. g. 6's	1935	7,500,000	A & O	130½	Nov.18,'03	....	....	....
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	113½	Jan. 12,'04	113½	113½	1,000
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	113½	Nov.25,'03	....	....	....
N. Y. & Greenw'd Lake gt g 5's.	1946	1,453,000	M&N	108½	Jan. 6,'04	108½	108½	6,000
" small								
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	111⅜	Jan. 21,'04	111⅜	111	11,000
N.Y., Sus.&W. 1st refdg. g. 5's	1937	3,745,000	J & J	109½	Jan. 8,'04	109½	109½	8,000
" 2d g. 4½'s	1937	447,000	F & A	99	Nov. 4,'03	....	....	....
" gen. g. 5's	1940	2,546,000	F & A	104	Jan. 22,'04	104	103¼	16,000
" term. 1st g. 5's	1943	2,000,000	M & N	113½	Jan. 8,'04	113½	113½	2,000
" registered......$5,000 each			M & N	....	....	....	....	....
Wilkesb. & East. 1st gtd g. 5's.	1942	3,000,000	J & D	106½	Jan. 11,'04	107¼	106½	5,000
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	116¾	Nov. 11,'03	....	....	....
" 1st General g 5's	1942	2,223,000	A & O	103	Dec. 17,'03	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	112	June 2,'02	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	95	Sept.15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	107	Dec. 17,'03	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s	1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs.dep. 1st 6's	1921	3,176,000	......	105	Jan. 30,'04	105½	102¾	61,000
Ft. Worth & Rio Grande 1st g 5's	1928	2,863,000	J & J	74	Jan. 28,'04	74	71	18,000
Galveston H. & H. of 1882 1st 5s.	1913	2,000,000	A & O	101¾	Jan. 11,'04	101¾	101¾	10,000
Gulf & Ship Isl. 1st refg.&ter.5's	1952	4,591,000	J & J	103¼	Jan. 21,'04	103¼	102¾	33,000
" registered			J & J	....	....	....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	12,139,000	J & J	105	Jan. 29,'04	105	103½	111,000
" registered			J & J	....	....	....	....	....
Col. Hock's Val. 1st ext. g. 4's	1948	1,401,000	A & O	101	Nov.23,'03	....	....	....
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	114	Oct. 27,'03	....	....	....
" registered			J&J	113½	Mar. 12,19'	....	....	....
" 1st gold 3½'s	1951	2,499,000	J&J	99½	Oct. 14,'03	....	....	....
" registered			J&J	94	Mar. 28,'03	....	....	....
" extend 1st g 3½'s	1951	3,000,000	A & O	99¼	Oct. 22,'03	....	....	....
" registered			A & O	....	....	....	....	....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92½	July 13,'96	....	....	....
" registered			M & S	....	....	....	....	....
" total outstg....$13,950,000								
" collat. trust gold 4's	1952	15,000,000	A & O	103	Nov. 6,'03	....	....	....
" regist'd			A & O	102	Oct. 4,'03	....	....	....
" col.t.g.4sL.N.O.&Tex.	1953	24,679,000	M & N	103	Jan. 28,'04	103	102	2,000
" registered			M & N	104⅝	May 20,'02	....	....	....
" Cairo Bridge g 4's	1950	3,000,000	J & D	106½	Mar. 7,'03	....	....	....
" registered			J & D	123	May 24,'99	....	....	....
" Louisville div. g. 3½'s	1953	14,320,000	J & J	94½	Dec. 22,'03	....	....	....
" registered			J & J	88½	Dec. 8,'99	....	....	....
" Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
" St. Louis div. g. 3's	1951	4,939,000	J & J	80	Jan. 12,'04	80	80	10,000
" registered			J & J	101¼	Jan. 31,'19	....	....	....
" g. 3½'s	1951	6,321,000	J & J	93¼	Jan. 14,'04	93¼	93¼	2,000
" registered			J & J	101½	Sept.10,'95	....	....	....
" Sp'gfield div 1st g 3½'s	1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
" registered			J & J	124	Dec. 11,'99	....	....	....
" West'n Line 1st g. 4's	1951	5,425,000	F & A	103½	Sept.26,'03	....	....	....
" registered			F & A	101½	Jan.31,'91	....	....	....
Belleville & Carodt 1st 6's	1923	470,000	J & D	124	May 16,'03	....	....	....

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Carbond'e & Shawt'n 1st g. 4's	1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's	1951	16,555,000	J D 15	119	Nov. 10,'03	....	....	....
• gold 5's, registered			J D 15	117	Oct. 3,'03	....	....	....
• g. 3½'s	1951	1,352,000	J D 15	87	Jan. 23,'04	87	87	1,000
• registered			J D 15	106¼	Aug. 17,'99	....	....	....
• Memph. div. 1st g. 4's	1951	3,500,000	J & D	102¼	Dec. 15,'03	....	....	....
• registered			J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's	1931	538,000	M & S	101	Mar. 3,'02	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	107½	Sept. 11,'03	....	....	....
• 1st gtd. g. 5's	1935	938,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's	1950	4,850,000	J & J	100	Dec. 29,'03	....	....	....
Internat. & Gt. N'n 1st. 6's, gold	1919	10,742,000	M & N	119⅝	Jan. 26,'04	119⅝	118⅝	30,000
• 2d g. 5's	1909	9,842,000	M & S	99¼	Jan. 30,'04	99¼	98¾	261,000
• 3d g. 4's	1921	2,730,500	M & S	70	Nov. 19,'03	....	....	....
Iowa Central 1st gold 5's	1938	7,650,000	J & D	109⅛	Jan. 6,'04	109⅛	109⅛	10,000
• refunding g. 4's	1951	2,000,000	M & S	89¼	Dec. 31,'03	....	....	....
Kansas City Southern 1st g. 3's	1950	30,000,000	A & O	70½	Jan. 30,'04	70⅝	69½	78,000
• registered			A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	117¾	Jan. 26,'04	117¾	115½	3,000
• 2d mtge. g. 5's	1941	3,625,000	J & J	112	Jan. 26,'04	112	110½	3,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	111	Nov. 20,'03	....	....	....
Lehigh Val. (Pa.) coll. g. 5's	1997	8,000,000	M & N	110	Feb. 3,'02	....	....	....
• registered			M & N	....	....	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J&J	105¾	Jan. 15,'04	106	104¾	8,000
• registered		....	J&J	105	Jan. 6,'04	105	105	2,000
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	113⅝	June 1,'02	....	....	....
• registered			A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,014,000	J & J	107	Jan. 19,'04	107	107	1,000
• registered	1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	94	Dec. 24,'03	....	....	....
• registered			M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	....	....	....	....	....
• • g. gtd 5's	1914	1,250,000	A & O	100	Mar. 25,'99	....	....	....
Long Island 1st cons. 5's	1931	3,610,000	Q J	113½	Aug. 25,'03	....	....	....
• 1st con. g. 4's	1931	1,121,000	Q J	101	Nov. 22,'99	....	....	....
Long Island gen. m. 4's	1938	3,000,000	J & D	100½	Jan. 29,'04	100½	100½	10,000
• Ferry 1st g. 4½'s	1922	1,494,000	M & S	101½	Jan. 14,'04	101½	101½	1,000
• g. 4's	1932	325,000	J & D	102½	May 5,'97	....	....	....
• unified g. 4's	1949	6,860,000	M & S	99	Jan. 18,'04	99	99	3,000
• deb. g. 5's	1934	1,135,000	J & D	111	Jan. 22,'02	....	....	....
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
• 1st 5's	1911	750,000	M & S	105¼	Mar. 3,'03	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's	1927	883,000	M & S	112½	Jan. 10,'02	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,425,000	QJAN	112½	Apr. 9,'02	....	....	....
Louis. & Nash. gen. g. 6's	1930	8,584,000	J & D	116	Jan. 19,'04	116	116	4,000
• gold 5's	1937	1,764,000	M & N	110½	Dec. 18,'03	....	....	....
• Unified gold 4's	1940	29,677,000	J & J	99	Jan. 30,'04	99⅝	98¼	189,000
• registered	1940		J & J	83	Feb. 27,'98	....	....	....
• collateral trust g. 5's	1931	5,129,000	M & N	109	Jan. 29,'04	109½	109	2,000
• E., Hend. & N. 1st 6's	1919	1,730,000	J & D	113	Nov. 5,'03	....	....	....
• L. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	108¼	Jan. 30,'03	....	....	....
• N. O. & Mobile 1st g. 6's	1930	5,000,000	J & J	124	Jan. 12,'04	124	123¾	7,000
• 2d g. 6's	1930	1,000,000	J & J	122¾	Aug. 31,'03	....	....	....
• Pensacola div. g. 6's	1920	580,000	M & S	116⅜	Mar. 22,'02	....	....	....
• St. Louis div. 1st g. 6's	1921	3,500,000	M & S	125½	Aug. 12,'02	....	....	....
• 2d g. 3's	1980	3,000,000	M & S	75	June 20,'02	....	....	....
• H. B'ge 1st sk'fd. g 6's	1931	1,587,000	M & S	....	....	....	....	....
• Ken. Cent. g. 4's	1987	6,742,000	J & J	97¾	Jan. 27,'04	98	97¼	10,000
• L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	107½	June 2,'02	....	....	....
• South. Mon. joint 4's	1952	11,827,000	J & J	91⅞	Jan. 30,'04	92	89	469,000
• registered			Q Jan	....	....	....	....	....
• N. Fla. & S. 1st g. g. 5's	1937	2,096,000	F & A	111	Dec. 8,'03	....	....	....
• Pen. & At. 1st g. g. 6's	1921	2,550,000	F & A	115	Jan. 29,'04	115	115	2,000
• S. & N. A. con. gtd. g. 5's	1936	3,673,000	F & A	115	Jan. 25,'04	115	115	3,000
• So. & N. Ala. si'fd. g. 6s	1910	1,942,000	A & O	110	Mar. 23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	100	Mar. 19,'01	....	....	....
Manhattan Railway Con. 4's	1990	28,065,000	A & O	100¾	Jan. 26,'04	103¾	102	155,000
• registered			A & O	103⅜	Dec. 17,'02	....	....	....

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Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	108	Jan. 26,'04	108	107¼	8,000
Manitoba Swn. Coloniza'n g. 5's	1934	2,544,000	J & D					
Mexican Central.								
" con. mtge. 4's	1911	65,643,000	J & J	69	Jan. 30,'04	71½	67¾	235,000
" 1st con. inc. 3's	1939	20,511,000	JULY	15½	Jan. 29,'04	16¾	14⅜	357,000
" 2d 3's	1939	11,724,000	JULY	9¼	Jan. 27,'04	9¾	7½	203,000
" equip. & collat. g. 5's	1917	650,000	A & O					
" 2d series g. 5's	1919	715,000	A & O					
" col.trust g.4½'s1st se of	1907	10,000,000	F & A	95⅞	Jan. 30,'04	96	90¾	115,000
Mexican Internat'l 1st con g. 4's	1977	3,362,000	M & S	90⅝	July 29,'01			
" stamped gtd		3,621,000						
Mexican Northern 1st g. 6's	1910	1,061,000	J & D					
" registered			J & D	105	May 2,19'			
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	142	Dec. 7,'03			
" Iowa ext. 1st g. 7's	1909	1,015,000	J & D	112⅜	Dec. 24,'03			
" Pacific ext. 1st g. 6's	1921	1,382,000	J & A	123½	Apr. 29,'03			
" Southw. ext. 1st g. 7's	1910	636,000	J & D	121	Jan. 21,'02			
" 1st con. g. 5's	1934	5,000,000	M & N	115½	Jan. 25,'04	115½	115½	18,000
" 1st & refunding g. 4's	1949	7,600,000	M & S	97	Jan. 25,'04	98	97	22,000
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	21,949,000	J & J	98	Apr. 3,'01			
" stamped pay. of int. gtd.								
Minneapolis & Pacific 1st m. 5's	1936	337,000	J & J	102	Mar. 26,'87			
" stamped 4's pay. of int. gtd.								
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,209,000	J & J	103	Nov. 11,'01			
" stamped pay. of int. gtd.				89⅝	June 18,'91			
Missouri, K. & T. 1st mtge g. 4's	1990	40,000,000	J & D	97⅞	Jan. 30,'04	98⅜	96½	155,500
" 2d mtge. g. 4's	1990	20,000,000	F & A	80½	Jan. 30,'04	81	79	125,500
" 1st ext gold 5's	1944	2,868,000	M & N	99	Jan. 27,'04	99¼	98½	51,000
St. Louis div. 1st refundg 4s	2001	1,852,000	A & O	86	Oct. 16,'02			
Dallas & Waco 1st gtd. g. 5's	1940	1,340,000	M & N	102	Jan. 26,'04	102	102	25,000
Mo. K.&T. of Tex 1st gtd.g. 5's	1942	3,907,000	M & S	100	Jan. 29,'04	100¼	99	160,000
Sher.Shrevept & So1st gtd.g.5's	1943	1,689,000	J & D	100	Jan. 29,'04	100	100	5,000
Kan. City & Pacific 1st g. 4's	1990	2,500,000	F & A	87	Jan. 26,'04	87	87	2,000
Mo. Kan. & East'n 1st gtd. g. 5's	1942	4,000,000	A & O	108	Jan. 5,'04	108	108	1,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	119⅞	Jan. 26,'04	119⅞	118⅜	169,000
" 3d mortgage 7's	1906	3,828,000	M & N	108½	Dec. 30,'03			
" trusts gold 5's stamp'd	1917	14,376,000	M & S	107	Jan. 30,'04	107	104⅞	119,000
" registered			M & S					
" 1st collateral gold 5's	1920	9,636,000	F & A	107½	Jan. 19,'04	107½	105	29,000
" registered			F & A					
Cent. Branch Ry. 1st gtg. g. 4's	1919	3,459,000	F & A	93	Jan. 20,'04	93	93	5,000
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	100	May 1,'01			
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	101¾	Dec. 14,'03			
" 2d extended g. 5's	1938	2,573,000	F & A	113	Dec. 31,'03			
St. L. & I. g. con. R.R.&l.gr. 5's	1931	36,418,000	A & O	112⅞	Jan. 30,'04	113	111⅜	322,000
" stamped gtd gold 5's	1931	6,532,000	A & O	109¾	Oct. 21,'03			
" unify'g & rfd'g g. 4's	1929	25,726,000	J & J	85¾	Jan. 30,'04	86	84	684,000
" registered			J & J					
" riv & gulf divs 1st g 4s	1933	12,242,000	M & N	91⅜	Dec. 10,'03			
" registered			M & N					
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S					
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	109	Aug. 31,19'			
" small		226,000	J & J	90	Feb. 4,'03			
" mtg. g. 4's	1945	700,000	J & J	93	Apr. 25,'02			
" small		500,000						
Mob. Jackson & Kan. City 1st g. 5's	1946	1,882,000	J & D	102	July 25,'02			
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	123¾	Dec. 31,'03			
" 1st extension 6's	1927	974,000	J & D	120	Jan. 11,'04	120	120	3,000
" gen. g. 4's	1938	9,472,000	Q J	94	Jan. 19,'04	94	94	6,000
" Montg'ry div. 1st g. 5's	1947	4,000,000	F & A	114	Jan. 18,'04	114	114	2,000
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	93	Feb. 3,'03			
" collateral g. 4's	1930	2,494,000	Q F	89	Dec. 24,'03			
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	120½	Jan. 25,'04	120½	120	8,000
" 1st cons. g. 5's	1928	7,566,000	A & O	112½	Jan. 22,'04	112½	112	4,000
" 1st g. 6's Jasper Branch	1923	371,000	J & J	123	Mar. 28,'01			
" 1st 6's McM. M. W. & Al.	1917	750,000	J & J	116	July 31,'02			
" 1st 6's T. & Pb	1917	300,000	J & J	110	Dec. 20,'99			
Nat. R.R. of Mex. prior lien g. 4½'s	1926	20,000,000	J & J	100¼	Jan. 15,'04	100¼	100¼	10,000
" 1st con. g. 4's	1951	22,000,000	A & O	76¾	Jan. 23,'04	76¾	74½	177,000
N. O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108½	Aug. 13,'94			

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N.Y. Cent. & Hud. R. g. mtg. 3½s. 1997	70,857,000	J & J	98¼	Jan. 30,'04	98⅜	97¾	258,000
" " registered......		J & J	98	Jan. 27,'04	98	98	29,000
" debenture 5's.....1884-1904	4,480,000	M & S	102⅜	Jan. 27,'04	102⅜	102⅛	13,000
debenture 5's reg..........		M & S	101¼	Nov. 25,'03	....	....	....
" reg. deben. 5's....1889-1904	639,000	M & S	103⅛	Apr. 30,'01	....	....	....
" debenture g. 4's..1890-1905	5,094,000	J & D	100	Jan. 14,'04	100¼	100	2,000
" registered.................		J & D	99	Dec. 12,'02	....	....	....
" deb. cert. ext. g. 4's...1905	3,581,000	M & N	99½	Dec. 15,'03	....	....	....
" registered.................		M & N	99½	Nov. 8,'02	....	....	....
Lake Shore col. g. 3½s..........1998	90,578,000	F & A	89¼	Jan. 30,'04	90	88	215,000
" registered.................		F & A	86	Jan. 20,'04	87½	86	16,000
Michigan Central col. g. 3½s..1998	19,336,000	F & A	90	Jan. 28,'04	90	89	3,000
" registered.................		F & A	91	Jan. 17,'03	....	....	....
Beech Creek 1st. gtd. 4's........1936	5,000,000	J & J	105	Jan. 8,'04	105	104	7,000
" registered		J & J	103½	Nov. 14,'03	....	....	....
" 2d gtd. g. 5's...........1936	500,000	J & J	....	....	....	....	....
" registered	....	J & J	....	....	....	....	....
" ext. 1st. gtd. g. 3½'s..1951	3,500,000	A & O	....	....	....	....	....
" registered.................		A & O	....	....	....	....	....
Carthage & Adiron. 1st gtd g. 4's 1981	1,100,000	J & D	....	....	....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A. 1940	716,000	J & J	95	Apr. 3,'02	....	....	....
" small bonds series B......	33,000	J & J	....	....	....	....	....
Gouv. & Oswega. 1st gtd g. 5's. 1942	300,000	J & D	....	....	....	....	....
Mohawk & Malone 1st gtd g. 4's. 1991	2,500,000	M & S	107½	July 6,19'	....	....	....
N. Jersey Junc. R. R. g. 1st 4's. 1986	1,650,000	F & A	105	Oct. 10,'02	....	....	....
" reg. certificates...........		F & A	....	....	....	....	....
N.Y. & Putnam 1st con. gtd g. 4's. 1993	4,000,000	A & O	105½	Nov. 15,'96	....	....	....
Nor. & Montreal 1st g. gtd 5's..1916	130,000	A & O	....	....	....	....	....
West Shore 1st guaranteed 4's. 2361	50,000,000	J & J	108⅝	Jan. 30,'04	109	106¾	89,000
" registered................		J & J	108⅜	Jan. 28,'04	108⅜	106¼	57,000
Lake Shore g 3½s..............1997			100¾	Jan. 26,'04	100¾	100	62,000
" registered	50,000,000	J & D	99⅜	Dec. 9,'03	..	....	....
" deb. g. 4's 1928	17,356,000	M & S	....	....	....	....	....
Detroit, Mon. & Toledo 1st 7's. 1906	924,000	F & A	114	Feb. 6,'02	....	....	....
Kal., A. & G. R. 1st gtd c. 5's...1938	840,000	J & J	....	....	....	....	....
Mahoning Coal R. R. 1st 5's ..1934	1,500,000	J & J	121	Nov. 21,'03	....	....	....
Pitt McK'port & Y. 1st gtd 6's..1932	2,250,000	J & J	139	Jan. 21,'03	....	....	....
" 2d gtd 6's...........1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's.. 1918	600,000	J & J	....	....	....	....	....
Michigan Cent. 6's..............1909	1,500,000	M & S	112¼	Jan. 18,'04	112¼	112¼	5,000
" 5's......................1931	3,576,000	M & S	122	Jan. 16,'04	122	122	7,000
" 5's reg..................1931		Q M	127	June 19,'02	....	....	....
" 4's......................1940	2,600,000	J & J	110	Dec. 7,'01	....	....	....
" 4's reg....................		J & J	106½	Nov. 26,19'	....	....	....
" g. 3½'s sec. by 1st mge. on J. L. & S.............	1,900,000	M & S	....	....	....	....	....
" 1st g. 3½'s............1952	12,000,000	M & N	99½	Oct. 26,'03	....	....	....
Battle C. Sturgis 1st g. g. 3's...1989	476,000	J & D	....	....	....	....	.. ....
N. Y. & Harlem 1st mort. 7's c..1900	12,000,000	M & N	100	Sept. 24,19'	....	....	....
" 7's registered..........1900		M & N	102¾	Apr. 6,19'	....	....	....
N. Y. & Northern 1st g. 5's.....1927	1,200,000	A & O	115	Oct. 15,'03	....	....	....
R. W. & Og. con. 1st ext. 5's...1922	2,081,000	A & O	117⅝	Dec. 17,'03	....	....	....
coup. g. bond currency..........		A & O	....	....	....	....	....
Oswego & Rome 2d gtd gold 5's. 1915	400,000	F & A	113¾	Jan. 25,'02	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's. 1918	375,000	M & N	....	....	....	....	....
Utica & Black River gtd g. 4's..1922	1,800,000	J & J	104	Oct. 20,'03	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's...1937	19,425,000	A & O	103⅝	Jan. 28,'04	104	103	31,000
" registered..................		A & O	103	May 14,'03	....	....	....
N. Y., N. Haven & Hartford.							
Housatonic R. con. g. 5's.......1937	2,838,000	M & N	131¾	Apr. 29,'03	....	....	....
New Haven and Derby con. 5's 1918	575 000	M & N	115½	Oct. 15,'94	....	....	....
N. Y. & New England 1st 7's....1905	6,000,000	J & J	106¼	May 14,'03	....	....	....
" 1st 6's..................1905	4,000,000	J & J	101	Sept. 8,'03	....	....	....
N.Y., Ont. & W'n. ref'ding 1st g. 4's. 1992	16,937,000	M & S	102½	Jan. 26,'04	102½	101½	42,000
" registered.......$5,000 only.	....	M & S	100	Dec. 7,'03	....	....	....
Norfolk & Southern 1st g. 5's....1941	1,430,000	M & N	114	Feb. 4,'03	....	....	....
Norfolk & Western gen. mtg. 6's. 1931	7,283,000	M & N	132	Sept. 2,'03	....	....	....
" imp'ment and ext. 6's...1934	5,000,000	F & A	127	Nov. 28,'03	....	....	....
" New River 1st 6's.......1932	2,000,000	A & O	127	Nov. 19,'03	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	JANUARY SALES. *High.*	JANUARY SALES. *Low.*	JANUARY SALES. *Total.*
Norfolk & West. Ry 1st con. g. 4s.	1996	38,710,500	A & O	97⅛	Jan. 30, '04	97⅛	96⅛	540,000
" registered........			A & O	96⅛	Sept. 22, '03	....	....	....
" small bonds................			A & O	....		....	....	....
" Pocahon C.&C.Co.jt.4's.	1941	20,000,000	J & D	90⅝	Jan. 29, '04	90¾	88	245,000
" C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	107⅛	July 1, '01	....	....	....
" Sci'o Val & N.E. 1st g.4's,	1989	5,000,000	J & N	100	Jan. 19, '04	100	100	17,000
N. P. Ry prior ln ry.&ld.gt.g.4's..	1997	101,392,500	Q J	103⅝	Jan. 30, '04	103¾	101⅛	481,500
" registered.................			Q J	101¾	Dec. 28, '03	....	....	....
" gen. lien g. 3's..........	2047	56,000,000	Q F	73	Jan. 29, '04	73	70⅝	441,000
" registered.................			Q F	69	Jan. 12, '04	69	68¾	2,500
St. Paul & Duluth div. g. 4's...	1996	7,897,000	J & D	97⅝	Jan. 11, '04	97⅝	97⅝	1,000
" registered........			J & D	....		....	....	... .
St. Paul & N. Pacific gen g. 6's.	1923	7,985,000	F & A	122	Oct. 17, '03	....	....	....
" registered certificates....			Q F	132	July 28, '98	....	....	....
St. Paul & Duluth 1st 5's.......	1931	1,000,000	F & A	112¼	July 21, '03	....	....	....
" 2d 5's..................	1917	2,000,000	A & O	108¼	Jan. 29, '04	108¼	107¾	3,000
" 1st con. g. 4's..........	1968	1,000,000	J & D	98	Nov. 27, '03	....	....	....
Washington Cen. Ry 1st g. 4's..	1948	1,538,000	QMCH	94⅛	Feb. 19, '01	....	....	....
Nor. Pacific Term. Co. 1st g. 6's..	1933	3,665,000	J & J	111⅛	Oct. 2, '03	....	....	....
Ohio River Railroad 1st 5's.......	1936	2,000,000	J & D	114½	May 4, '02	....	....	....
" gen. mortg. g 6's........	1937	2,428,000	A & O	108⅛	July 29, '02	....	....	....
Pacific Coast Co. 1st g. 5's.........	1946	4,446,000	J & D	106⅛	Jan. 27, '04	107	105	14,000
Panama 1st sink fund g. 4½'s....	1917	2,246,000	A & O	102	Apr. 21, '03	....	....	....
" s. f. subsidy g 6's........	1910	837,000	M & N	102	Apr. 14, '02	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st.......	1921	19,467,000	J & J	108⅛	Jan. 27, '04	109	108	44,000
" reg........................	1921		J & J	106	Mar. 26, '03	....	....	....
" gtd.3½ col.tr.reg. cts..	1937	4,895,000	M & S	95¾	Nov. 2, '03	....	....	....
" gtd.3½ col.tr.cts.serB	1941	9,794,000	F & A	92¼	Dec. 28, '03	....	....	....
" Trust Co. ctfs. g. 3½'s.	1916	17,332,000	M & N	195	July 16, '03	....	....	....
Chic., St. Louis & P. 1st c. 5's..	1932	1,506,000	A & O	118	Dec. 21, '03	....	....	....
" registered.................		....	A & O	110	May 3, '92	....	....	....
Cin., Leb. & N. 1st con.gtd.g.4's.	1942	900,000	J & J	....		....	....	....
Clev.&P.gen.gtd.g.4½'s Ser. A.	1942	3,000,000	J & J	108¼	Aug. 21, '03	....	....	....
" Series B..............	1942	1,561,000	A & O	....		....	....	....
" " int. reduc. 3½ p.c.		439,000	......	....		....	....	....
" Series C 3½s..........	1948	3,000,000	M & N	....		....	....	....
" Series D 3½s..........	1950	1,933,000	F & A	96	Jan. 8, '04	96	96	1,000
E.&Pitts. gen.gtd.g.3½s Ser. B..	1940	2,250,000	J & J	102	Nov. 7, 19'	....	....	....
" " " C..	1940	1,508,000	J & J	....		....	....	....
Newp. & Cin. Bge Co. gtd g. 4's..	1945	1,400,000	J & J	....		....	....	....
Pitts., C. C. & St. L. con. g 4½'s..								
" Series A	1940	10,000,000	A & O	109⅞	Jan. 27, '04	109⅞	109⅛	18,000
" Series B gtd..........	1942	8,786,000	A & O	111⅛	Jan. 26, '04	111⅛	109¾	6,000
" Series C gtd..........	1942	1,379,000	M & N	116⅛	Feb. 14, '01	....	....	....
" Series D gtd. 4's......	1945	4,983,000	M & N	101⅛	Jan. 22, '04	101⅛	101⅛	10,000
" Series E gtd. g. 3½s...	1949	10,421,000	F & A	93	Dec. 8, '03	....	....	....
Pitts., Ft. Wayne & C. 1st 7's..	1912	2,219,000	J & J	127⅝	Oct. 21, '02	....	....	....
" 2d 7's..................	1912	1,918,000	J & J	119¾	Sept. 9, '03	....	....	....
" 3d 7's..................	1912	2,000,000	A & O	120	Mar. 16, '03	....	....	....
Tol WalhondingVy.&O.1st gtd.bds		3,280,000	J & D					
4½'s series A..........	1931	1,500,000	J & J	....		....	....	....
" 4½'s series B..........	1933	978,000	J & J	....		....	....	....
" 4's series C..........	1942	1,453,000	M & S	....		....	....	....
Penn. RR. Co. 1st Rl Est. g 4's...	1923	1,675,000	M & N	105	Jan. 11, '04	105	105	2,000
con. sterling gold 6 per cent...	1905	22,762,000	J & J	....		....	....	....
con. currency, 6's registered...	1905	4,718,000	Q M 15	....		....	....	....
con. gold 5 per cent	1919	4,998,000	M & S	114	Dec. 15, '03	....	....	....
" registered................			Q M	....		....	....	....
con. gold 4 per cent	1943	3,825,000	M & N	106	Aug. 28, '03	....	....	....
" ten year conv. 3½'s..	1912	20,697,500	M & N	96⅛	Jan. 28, '04	96¾	95	459,000
Allegh. Valley gen. gtd. g. 4's...	1942	5,389,000	M & S	110	Aug. 28, 19'	....	....	....
Belvedere Del. con. gtd. 3½'s..	1943	1,000,000	J & J	....		....	....	....
Clev. & Mar. 1st gtd g. 4½'s.....	1935	1,250,000	M & N	112¾	Mar. 7, 19'	....	....	....
Del.R. RR.& BgeCo 1stgtdg.4's,	1936	1,300,000	F & A	....		....	....	....
G.R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	111	Dec. 10, '03	....	....	....
Sunbury & Lewistown 1stg.4's.	1936	500,000	J & J	....		....	....	....
U'd N. J. RR. & Can Co. g 4's...	1944	5,646,000	M & S	117	May 1, 19'	....	....	....
Peoria & Pekin Union 1st 6's....	1921	1,495,000	Q F	123⅛	Jan. 18, '04	123⅛	123⅛	5,000
" 2d m 4½'s................	1921	1,499,000	M & N	95	June 16, '03	....	....	....
Pere Marquette.								
Chic. & West Mich. Ry. 5's.......	1921	5,753,000	J & D	109	Apr. 28, '02	....	....	....
Flint & Pere Marquette g. 6's..	1920	3,999,000	A & O	118⅛	Jan. 8, '04	118⅛	118⅛	1,000
" 1st con. gold 5's........	1939	2,850,000	M & N	107⅛	Dec. 18, '03	....	....	....
" Port Huron d 1st g 5's.	1939	3,325,000	A & O	109¼	Jan. 16, '04	109⅛	109¼	4,000
Sag'w Tusc. & Hur. 1st gtd.g.4's.	1931	1,000,000	F & A	....		....	....	....
Pine Creek Railway 6's..........	1932	3,500,000	J & D	137	Nov. 17, '93	....	....	....

BOND QUOTATIONS.—Last sale, price and date: highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	LAST SALE. Date.	JANUARY SALES. High.	JANUARY SALES. Low.	JANUARY SALES. Total.
Pittsburg, Junction 1st 6's.......1922	478,000	J & J	120	Oct. 11,'01	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A, 1928	2,000,000	A & O	112½	Dec. 13,'93	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's, 1940	3,000,000	A & O	117¼	July 7,'03	....	....	....
" 1st cons. 5's.............1943	408,000	J & J	87¾	Jan. 12,19'	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's, 1927	1,562,000	M & N	120½	Dec. 8,'02	....	....	....
Reading Co. gen. g. 4's...........1997	66,026,000	J & J	96¾	Jan. 30,'04	96¾	94⅝	805,000
" registered..................		J & J	96⅛	July 2,'03	....	....	....
" Jersey Cent. col. g. 4's..1957	23,000,000	......	93¼	Jan. 21,'04	93¼	91⅜	51,000
" " registered.....	....	......	....	....	....	....	....
Atlantic City 1st con. gtd. g. 4's.1951	1,063,000	M & N	....	....	....	....	....
Rio Grande Junc'n 1st gtd. g. 5's, 1939	1,850,000	J & D	105	Dec. 19,'03	....	....	....
Rio Grande Southern 1st g. 4's..1940	2,233,000	J & J	75	Aug. 3,'03	....	....	....
" guaranteed...............	2,277,000	......	94¼	Nov.15,'02	....	....	....
Rutland RR 1st con. g. 4½ s....1941	2,440,000	J & J	....	....	....	....	....
Ogdnsb.&L.Ch'n.Ry.1st gtd g4s1948	4,400,000	J & J	....	....	....	....	....
Rutland Canadian 1stgtd.g.4's.1949	1,350,000	J & J	101¼	Nov.18,'01	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.342.......1947	3,500,000	J & J	87	Dec. 21,'03	....	....	....
St. L. & Adirondack Ry. 1st g. 5's.1996	800,000	J & J	....	....	....	....	....
" 2d g. 6's...............1996	400,000	A & O	....	....	....	....	....
St. Louis & San F. 2d 6's, Class B, 1906	998,000	M & N	104⅞	Jan. 27,'04	104⅞	104½	2,000
" 2d g. 6's, Class C......1906	829,000	M & N	104½	Dec. 22,'03	....	....	....
" gen. g. 6's.............1931	3,681,000	J & J	124½	Jan. 29,'04	124½	123	18,000
" gen. g. 5's.............1931	5,803,000	J & J	110¾	Jan. 20,'04	111	110	12,000
St. L & San F. R. R. con. g. 4's.1996	1,558,000	J & D	98	Dec. 16,'03	....	....	....
" S. W. div. g. 5's........1947	829,000	A & O	100	Jan. 21,'04	100	100	1,000
" refunding g. 4's.......1951	54,713,000	J & J	83½	Jan. 30,'04	84	82¾	501,000
" " registered...		J & J	....	....	....	....	....
Kan. Cy Ft.S.&MemRRcong6's1928	13,736,000	M & N	119	Dec. 2,'03	....	....	....
Kan.Cy Ft.S&MRyrefggtd g4s.1936	14,983,000	A & O	80½	Jan. 30,'04	80⅞	78	777,000
" registered...............		A & O	78½	Jan. 14,'04	78½	77½	20,000
Kan.Cy&M.R.&B.Co.1stgtdg5s.1929	3,000,000	A & O	....	....	....	....	....
St. Louis S. W. 1st g. 4's Bd. ctfs., 1989	20,000,000	M & N	93⅝	Jan. 27,'04	94	92¼	146,000
" 2d g. 4's inc. Bd. ctfs....1989	3,272,500	J & J	76	Jan. 23,'04	76½	72½	65,000
" con. g. 4's...............1932	12,054,000	J & D	73¼	Jan. 30,'04	74⅝	70	2,198,000
Gray's Point, Term. 1stgtd.g.5's.1947	339,000	J & D	....	....	....	....	....
St. Paul, Minn. & Manito'a 2d 6's..1909	7,197,000	A & O	110⅝	Dec. 18,'03	....	....	....
" 1st con. 6's............1933	13,344,000	J & J	131	Jan. 18,'04	131	130	15,000
" 1st con. 6's, registered....		J & J	140	May 14,'02	....	....	....
" 1st c. 6's, red'd to g. 4½'s...	19,408,000	J & J	108⅜	Jan. 29,'04	108⅜	107½	3,000
" 1st cons. 6's register'd....		J & J	115¼	Apr. 15,'01	....	....	....
" Dakota ext'n g. 6's...1910	5,465,000	M & N	111	Nov.25,'03	....	....	....
" Mont. ext'n 1st g. 4's..1937	10,185,000	J & D	101¼	Jan. 29,'04	101½	100	93,000
" registered...............		J & D	106	May 6,'01	....	....	....
Eastern R'y Minn. 1std. 1stg. 5's..1908	4,700,000	A & O	104	Aug.15,'03	....	....	....
" registered...............		A & O	....	....	....	....	....
" Minn. N. div. 1stg. 4's..1940	5,000,000	A & O	....	....	....	....	....
" registered...............		A & O	....	....	....	....	....
Minneapolis Union 1st g. 6's....1922	2,150,000	J & J	128	Apr. 4,19'	....	....	....
Montana Cent. 1st 6's int. gtd..1937	6,000,000	J & J	116	Dec. 7,'03	....	....	....
" 1st 6's, registered.........		J & J	115	Apr. 24,'97	....	....	....
" 1st g. g. 5's............1937	4,000,000	J & J	121	Dec. 31,'03	....	....	....
" registered...............		J & J	....	....	....	....	....
Willmar & Sioux Falls 1st g. 5's, 1938	3,625,000	J & D	117	Jan. 11,'04	117	117	1,000
" registered...............		J & D	....	....	....	....	....
Salt Lake City 1st g. s. f. 6's.....1913	297,000	J & J	....	....	....	....	....
San Fe Pres.& Phoe.Ry.1st g.5's, 1942	4,940,000	M & S	110	Jan. 7,'04	110	110	4,000
San Fran. & N. Pac. 1st s. f. g. 5's, 1919	3,872,000	J & J	113¾	Dec. 11,'01	....	....	....
Seaboard Air Line Ry g. 4's......1950	12,775,000	A & O	68½	Jan. 30,'04	70½	65½	83,000
" registered...............		A & O	....	....	....	....	....
" col. trust refdg g. 5's..1911	10,000,000	M & N	96½	Jan. 29,'04	98½	96	65,000
Carolina Central 1st con. g. 4's.1949	2,847,000	J & J	90	Oct. 7,'03	....	....	....
Fla Cent & Peninsular 1st g.5's.1918	3,000,000	J & J	100	Sept. 6,'99	....	....	....
" 1st land grant ext g.5's.1930	410,000	J & J	....	....	....	....	....
" cons. g. 5's.............1943	4,370,000	J & J	106½	Feb. 26,'02	....	....	....
Georgia & Alabama 1st con.5's.1945	2,922,000	J & J	102	Jan. 15,'04	102½	102	10,000
Ga. Car. & Nthern 1st gtd g. 5's.1929	5,360,000	J & J	107	Dec. 15,'03	....	....	....
Seaboard & Roanoke 1st 5's....1926	2,500,000	J & J	....	....	....	....	....

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Sodus Bay & Sout'n 1st 5's, gold, 1924	500,000	J & J	102	Jan. 20,'03	....	....	....
Southern Pacific Co.							
" 2-5 year col. trust g. 4½'s. 1905	15,000,000	J & D	99	Jan. 28,'04	99¼	97⅞	197,000
" g. 4's Central Pac. coll.. 1949	28,818,500	J & D	89½	Jan. 28,'04	90	87¾	165,500
" " registered......		J & D	87	Jan. 20,'04	87¾	85¾	44,000
Austin & Northw'n 1st g. 5's... 1941	1,920,000	J & J	105½	Feb. 25,'03	....	....	....
Cent. Pac. 1st refud. gtd. g. 4's.. 1949	64,781,000	F & A	100⅞	Jan. 28,'04	101⅜	99½	375,000
" registered..............		F & A	99¼	Mar. 5,'93	....	....	....
" mtge. gtd. g. 3½'s... 1929	18,069,500	J & D	85½	Jan. 28,'04	85½	84	49,500
" " registered............		J & D	....		....	....	....
Gal. Harrisb'gh & S.A. 1st g 6's.. 1910	4,756,000	F & A	110¼	Feb. 27,'03	....	....	....
" 2d g 7's.............. 1905	1,000,000	J & D	100½	Jan. 26,'04	100½	100½	1,000
" Mex. & P. div 1st g 5's. 1931	13,418,000	M & N	107	Jan. 21,'04	107	107	1,000
Gila Val. G. & N'n 1st gtd g 5's. 1924	1,514,000	M & N	105½	Jan. 27,'04	105½	105	10,000
Houst. E. & W. Tex. 1st g. 5's.. 1933	501,000	M & N	105	Dec. 18,'03	....	....	....
" 1st gtd. g. 5's........ 1933	2,199,000	M & N	103	Nov. 6,'02	....	....	19,000
Houst. & T.C. 1st g 5's int. gtd.. 1937	5,438,000	J & J	111	Jan. 29,'04	111½	110	....
" con. g 6's int. gtd...... 1912	2,616,000	A & O	112¾	Dec. 31,'03	....	....	....
" gen. g 4's int. gtd...... 1921	4,287,000	A & O	92	Jan. 27,'04	92	90½	13,000
" W&Nwn. div. 1st. g. 6's. 1930	1,105,000	M & N	127½	Feb. 27,'02	....	....	....
Morgan's La & Tex. 1st g 6's.... 1920	1,494,000	J & J	122	Sept. 15,'02	....	....	....
" 1st 7's................ 1918	5,000,000	A & O	130	Nov. 19,'02	....	....	....
N. Y. Tex. & Mex. gtd. 1st g 4's.. 1912	1,465,000	A & O	....		....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's. 1907	3,964,000	J & J	102	July 30,'03	....	....	....
" gtd. g. 5's	4,751,000	A & O	113	Jan. 4,'01	....	....	....
Oreg. & Cal. 1st gtd. g 5's........ 1927	18,831,000	J & J	100	Jan. 8,'04	100	100	1,000
San Ant. & Aran Pass 1st gtd g 4's. 1943	18,900,000	J & J	80	Jan. 28,'04	80¾	76	453,000
South'n Pac. of Ariz. 1st 6's..... 1909	6,000,000	J & J	105¼	Jan. 30,'04	105¼	105	39,000
" " " 1910	4,000,000	J & J	106	Jan. 15,'04	105	106	5,000
" of Cal. 1st g 6's ser. A. 1905	29,192,500	A & O	101⅞	Dec. 15,'03	....	....	....
" " " ser. B. 1905		A & O	102	Oct. 22,'03	....	....	....
" " " C. & D. 1906		A & O	106½	May 15,'03	....	....	....
" " " E. & F. 1902		A & O	108	Nov. 2,'03	....	....	....
" " " 1912	....	A & O	119	Mar. 17,'03	....	....	....
" 1st con. gtd. g 5's... 1937	6,809,000	M & N	106⅝	Dec. 8,'03	....	....	....
" stamped........ 1905-1937	21,546,000	......	107	Jan. 6,'04	107	107	1,000
So. Pacific Coast 1st gtd. g. 4's. 1937	5,500,000	J & J	....		....	....	....
" of N. Mex. c. 1st 6's. 1911	4,180,000	J & J	108¾	June 26,'03	....	....	....
Tex. & New Orleans 1st 7's...... 1905	862,000	F & A	103⅛	Oct. 20,'03	....	....	....
" Sabine div. 1st g 6's... 1912	2,575,000	M & S	111½	Oct. 30,'02	....	....	....
" con. g 5's............. 1943	1,620,000	J & J	103	Jan. 29,'04	103	103	3,000
Southern Railway 1st con. g 5's. 1994	39,208,000	J & J	113	Jan. 30,'04	114	111¼	1,089,000
" registered................		J & J	111¼	Aug. 7,'03	....	....	....
Mob. & Ohio collat. trust g. 4's. 1938	7,999,000	M & S	95	Jan. 29,'04	95	93	95,500
" registered...............		M & S	....		....	....	....
" Memph. div. 1st g. 4-4½-5's. 1996	5,183,000	J & J	113	Dec. 18,'03	....	....	....
" registered...............		J & J	....		....	....	....
" St. Louis div. 1st g. 4's... 1951	11,250,000	J & J	94¼	Jan. 25,'04	94½	94	7,000
" " registered............		J & J	....		....	....	....
Alabama Central, 1st 6's....... 1918	1,000,000	J & J	120	Mar. 25,'01	....	....	....
Atlantic & Danville 1st g. 4's.. 1948	3,925,000	J & J	91	Nov. 20,'03	....	....	....
Atlantic & Yadkin, 1st gtd g 4s. 1949	1,500,000	A & O	....		....	....	....
Col. & Greenville, 1st 5-6's..... 1916	2,000,000	J & J	118	Oct. 20,'03	....	....	....
East Tenn., Va. & Ga. div. g. 5's. 1930	3,106,000	J & J	113¼	Jan. 28,'04	113¼	113¼	1,000
" con. 1st g 5's.......... 1956	12,770,000	M & N	118¼	Jan. 26,'04	118¼	117½	27,000
" reorg. lien g 4's....... 1938	4,500,000	M & S	111⅝	Dec. 22,'03	....	....	....
" registered..............		M & S	....		....	....	....
Ga. Pacific Ry. 1st g 5-6's...... 1922	5,660,000	J & J	118¾	Jan. 7,'04	118¾	118¾	2,000
Knoxville & Ohio, 1st g 6's...... 1925	2,000,000	J & J	120	Jan. 7,'04	120	120	3,000
Rich. & Danville, con. g 6's.... 1915	5,597,000	J & J	118	Dec. 19,'03	....	....	....
" deb. 5's stamped...... 1927	3,368,000	A & O	108½	Dec. 28,'03	....	....	....
Rich. & Mecklenburg 1st g. 4's. 1948	315,000	M & N	92	Sept. 9,'02	....	....	....
South Caro'a & Ga. 1st g. 5's.... 1919	5,250,000	M & S	108¾	Jan. 25,'04	108¾	108½	8,000
Vir. Midland serial ser. A 6's.. 1906	600,000	M & S	....		....	....	....
" small....................		M & S	....		....	....	....
" ser. B 6's.............. 1911	1,900,000	M & S	112½	Jan. 6,'03	....	....	....
" small....................		M & S	....		....	....	....
" ser. C 6's.............. 1916	1,100,000	M & S	123	Feb. 8,'02	....	....	....
" small....................		M & S	....		....	....	....
" ser. D 4-5's............ 1921	950,000	M & S	112	Feb. 18,'03	....	....	....
" small....................		M & S	....		....	....	....
" ser. E 5's.............. 1926	1,775,000	M & S	109½	Jan. 22,'04	109½	109½	500
" small....................		M & S	....		....	....	....
" ser. F 5's.............. 1931	1,310,000	M & S	108	Nov. 9,'03	....	....	....
Virginia Midland gen. 5's...... 1936	2,392,000	M & N	111	Jan. 29,'04	111	110	43,000
" gen. 5's. gtd. stamped. 1926	2,466,000	M & N	113½	May 14,'03	....	....	....

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W. O. & W. 1st cy. gtd. 4's	1924	1,025,000	F & A	93	Dec. 31,'03	....	....	....
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	114	Jan. 22,'04	114¼	113¼	39,000
Spokane Falls & North. 1st g. 6's	1939	2,812,000	J & J	117	July 25,19'	....	....	....
Staten Isl. Ry. N.Y. 1st gtd. g. 4½'s	1943	500,000	J & D	104½	Sept. 2,'02	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s	1939	7,000,000	A & O	114½	Dec. 1,'03	....	....	....
" 1st con. g. 5's	1894–1944	5,000,000	F & A	115⅞	Jan. 13,'04	115⅞	115⅞	13,000
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	107¾	Dec. 31,'03	....	....	....
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th	1905	2,815,000	M & S	100	Sept. 30,'03	....	....	....
" 1st gold 5's	2000	22,120,000	J & D	116½	Jan. 28,'04	116½	115½	160,000
" 2d gold income, 5's	2000	963,000	MAR.	93	Jan. 27,'04	93	92¼	8,000
" La. Div. B.L. 1st g. 5's	1931	3,348,000	J & J	108¼	Jan. 28,'04	110¼	108	40,000
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	112¼	Jan. 22,'04	112½	112¼	7,000
" 1st M. g 5's West. div.	1935	2,500,000	A & O	111	Sept. 8,'03	....	....	....
" gen. g. 5's	1935	2,000,000	J & D	105¾	Jan. 19,'04	105¾	105¾	5,000
" Kanaw & M. 1st g. g. 4's	1990	2,469,000	A & O	91¾	Jan. 20,'04	92	91½	4,000
Toledo, Peoria & W. 1st g 4's	1917	4,900,000	J & D	87½	Jan. 28,'04	88	87	21,000
Tol., St.L. & Wn. prior lien g 3½'s	1925	9,000,000	J & J	83	Jan. 29,'04	83½	81	48,000
" registered			J & J	....	....	....	....	....
" fifty years g. 4's	1925	6,500,000	A & O	72	Jan. 29,'04	72¾	71	61,000
" registered			A & O	....	....	....	....	....
Toronto, Hamilton & Buff 1st g 4s	1946	3,280,000	J & D	98	Apr. 29,'03	....	....	....
Ulster & Delaware 1st c. g 5's	1925	1,852,000	J & D	106¼	Jan. 22,'04	106¼	106¼	1,000
Union Pacific R. R. & ld gt g 4s	1947	100,000,000	J & J	103	Jan. 30,'04	103¾	100¾	990,500
" registered			J & J	103¼	Jan. 26,'04	103½	100⅝	7,500
" 1st lien con. g. 4's	1911	87,259,000	M & N	97⅛	Jan. 30,'04	98¼	95¾	3,109,000
" registered			M & N	96¾	Jan. 27,'04	96¾	96¾	1,000
Oreg. R. R. & Nav. Co. con. g 4's	1946	21,482,000	J & D	100	Jan. 29,'04	100⅛	98⅝	263,000
Oreg. Short Line Ry. 1st g. 6's	1922	13,651,000	F & A	124	Jan. 29,'04	124	123⅝	13,000
" 1st con. g. 5's. 1946		12,328,000	J & J	113	Jan. 29,'04	113¼	111	72,000
" 4's & participat'g g. bds.	1927	41,000,000	F & A	95⅝	Jan. 30,'04	96⅜	91⅝	958,000
" registered			F & A	....	....	....	....	....
Utah & Northern 1st 7's	1908	4,993,000	J & J	112	Dec. 30,'03	....	....	....
" g. 5's	1926	1,812,000	J & J	114½	Apr. 19,'02	....	....	....
Virginia & S'western 1st gtd. 5's	2003	2,000,000	J & J	103½	Jan. 22,'04	108½	103½	23,000
Wabash R.R. Co., 1st gold 5's	1939	33,001,000	M & N	115½	Jan. 30,'04	115¾	114½	167,000
" 2d mortgage gold 5's	1939	14,000,000	F & A	109	Jan. 28,'04	109½	106¾	125,000
" deben. mtg series A	1939	3,500,000	J & J	101½	Apr. 28,'03	....	....	....
" series B	1939	26,500,000	J & J	66¼	Jan. 30,'04	68	61	7,016,000
" first lien eqpt. fd. g. 5's	1921	2,755,000	M & S	102	Jan. 13,'04	102	102	1,000
" 1st g. 5's Det. & Chi. ex.	1940	3,349,000	J & J	107	Jan. 14,'04	107	106¼	4,000
" Des Moines div. 1st g. 4s	1939	1,600,000	J & J	97	May 12,'02	....	....	....
" Omaha div. 1st g. 3½s	1941	3,000,000	A & O	81½	Jan. 20,'04	81½	81½	9,000
" Tol. & Chic. div. 1st g. 4's	1941	3,000,000	M & S	98	Mar. 17,'02	....	....	....
St. L., K. C. & N. St. Chas. B. 1st 6's	1908	473,000	A & O	109½	Mar. 13,'03	....	....	....
Western N.Y. & Penn. 1st g. 5's	1937	9,990,000	J & J	117½	Dec. 17,'03	....	....	....
" gen g. 3-4's	1943	9,789,000	A & O	95⅞	Oct. 27,'03	....	....	....
" inc. 5's	1943	10,000,000	Nov.	40	Mar. 21,'01	....	....	....
West Va. Cent'l & Pitts. 1st g. 6's	1911	3,250,000	J & J	122	Dec. 15,'03	....	....	....
Wheeling & Lake Erie 1st g. 5's	1926	2,000,000	A & O	114	Jan. 27,'04	114	112½	23,000
" Wheeling div. 1st g. 5's	1928	894,000	J & J	110¼	Nov. 10,'03	....	....	....
" exten. and imp. g. 5's	1930	343,000	F & A	110	Mar. 6,'03	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's	1949	11,618,000	M & S	90¾	Jan. 26,'04	91	89	235,000
Wisconsin Cen. R'y 1st gen. g. 4s	1949	23,743,000	J & J	89⅞	Jan. 29,'04	90	88½	189,000
STREET RAILWAY BONDS.								
Brooklyn Rapid Transit g. 5's	1945	6,625,000	A & O	102	Jan. 29,'04	102	101	28,000
" City R. R. 1st c. 5's 1916	1941	4,378,000	J & J	107⅜	Jan. 27,'04	107⅜	107⅜	5,500
" Qu. Co. & Sur. con. gtd. g. 5's	1941	2,255,000	M & N	100	Jan. 25,'04	100	100	5,000
" Union Elev. 1st. g. 4-5s	1950	16,000,000	F & A	102¾	Jan. 29,'04	103¼	100¾	119,000
" stamped guaranteed			......	100¾	July 15,'03	....	....	....
Kings Co. Elev. R. R. 1st g. 4's	1949	7,000,000	F & A	87	Jan. 28,'04	87½	86	90,000
" stamped guaranteed			......	....	....	....	....	....
Nassau Electric R. R. gtd. g. 4's	1951	10,474,000	J & J	85½	Jan. 5,'03	....	....	....
City & Sub. R'y, Balt. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn. Ry. & Lightg 1st & rfg. g 4½'s	1951	8,355,000	J & J	90	Oct. 31,'02	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O	97½	June 13,19'	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	913,000	J & J	....	....	....	....	....
Detroit Cit'ens St. Ry. 1st con. g. 5's	1905	5,485,000	J & J	103	Nov. 23,'01	....	....	....
Grand Rapids Ry 1st g. 5's	1916	2,750,000	J & D	....	....	....	....	....
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....	....	....	....	....

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Metro. St. Ry N.Y. g. col. tr. g. 5's.1997	12,500,000	F & A	115¼	Jan. 23,'04	115¼	113⅜	97,000
" refunding 4's..........2002	12,780,000	A & O	92	Jan. 30,'04	92½	89⅛	181,000
B'way & 7th ave. 1st con. g. 5's, 1943	7,650,000	J & D	113⅛	Jan. 25,'04	110½	112¼	61,000
" registered		J & D	119½	Dec. 3,19'	....	....	....
Columb. & 9th ave. 1st gtd g 5's, 1993	8,000,000	M & S	119	Jan. 29,'04	119	119	1,000
" registered..................		M & S	....		....	....	....
Lex ave & Pav Fer 1st gtd g 5's, 1993	5,000,000	M & S	116¼	Jan. 8,'04	116¼	116¼	4,000
" registered..................		M & S	....		....	....	....
Third Ave. R.R. 1st c.gtd.g.4's..2000	35,000,000	J & J	94⅛	Jan. 30,'04	95¼	94⅛	183,000
" registered..................		J & J	....		....	....	....
Third Ave. R'y N.Y. 1st g 5's...1937	5,000,000	J & J	117	Jan. 13,'04	117	117	10,000
Met. West Side Elev. Chic. 1st g. 4's. 1938	9,808,000	F & A	95	Jan. 5,'04	95	95	8,000
" registered..................		F & A	....		....	....	....
Mil.Elec.R.&Light con.30yr.g.5's.1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's.....................1919	4,050,000	J & J	110	June 28,'01	....	....	....
St.Jos.Ry.Lig't,Heat&P.1st g.5's.1937	3,500,000	M & N	....		....	....	....
St. Paul City Ry. Cable con.g.5's.1937	2,480,000	J&J15	109¼	Apr. 14,'03	....	....	....
" gtd. gold 5's............1937	1,138,000	J & J	112	Nov. 28,'99	....	....	....
Union Elevated (Chic.) 1st g.5's.1945	4,387,000	A & O	109⅛	Dec. 14,'99	....	....	....
United Railways of St.L. 1st g.4's.1934	28,292,000	J & J	84⅛	June 25,'03	....	....	....
United R. R. of San Fr. s. fd. 4's...1927	20,000,000	A & O	79⅜	Jan. 30,'04	80	75⅛	923,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,969,000	M & N	....		....	....	....
" 40 years con. g. 5's......1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....

MISCELLANEOUS BONDS.

NAME. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	January Sales. High.	January Sales. Low	January Sales. Total.
Adams Express Co. col. tr. g. 4's.1948	12,000,000	M & S	103	Jan. 26,'04	103	102	27,500
Am.Steamship Co.of W.Va.g.5's 1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn.Ferry Co.of N.Y.1st c.g.5's.1948	6,500,000	F & A	66¾	Jan. 28,'04	66¾	61	15,000
Chic.Junc.& St'k Y'ds col. g. 5's.1915	10,000,000	J & J	111	Sept.30,'03	....	....	....
Der. Mac.&Ma.ld.gt.3½'s sem.an.1911	1,845,000	A & O	82	Jan. 21,'04	82	82	11,000
Hackensack Water Co. 1st 4's....1952	3,000,000	J & J	....		....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g.5's....1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim.gen. g. 4's.1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuilding & Dry Dock 5's............1890-1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...1951	11,580,000	F & A	91	Dec. 28,'03	....	....	....
" registered..................		F & A	....		....	....	....
St.Joseph Stock Yards 1st g. 4½'s 1930	1,250,000	J & J	....		....	....	....
St. Louis Terml. Cupples Station & Property Co. 1st g 4½'s 5-20..1917	3,000,000	J & D	....		....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	108	Nov. 28,'03	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	113⅛	Dec. 18,19'	....	....	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.							
Series D 4½'s..............1901-1916	1,000,000	J & J	....		....	....	....
" E 4's.................1907-1917	1,000,000	J & D	....		....	....	....
" F 4's.................1906-1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
" G 4's.................1903-1918	1,000,000	F & A	....		....	....	....
" H 4's.................1903-1918	1,000,000	M & N	....		....	....	....
" I 4's.................1904-1919	1,000,000	F & A	....		....	....	....
" J 4's.................1904-1919	1,000,000	M & N	....		....	....	....
" K 4's.................1905-1920	1,000,000	J & J	....		....	....	....
Small bonds..........................	....	......	....		....	....	....
Industrial and Mfg. Bonds.							
Am. Cotton Oil deb. ext. 4½'s....1915	2,919,000	......	96	Dec. 28,'03	....	....	....
Am. Hide & Lea. Co. 1st s. f. 6's...1919	7,863,000	M & S	81	Jan. 29,'04	81	70	87,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	1,750,000	M & S	86¾	Jan. 29,'04	88	86	20,000
Am.Thread Co..1st coll.trust 4's.1919	6,000,000	J & J	74	Jan. 18,'04	74	74	3,000
Barney & Smith Car Co. 1st g.6's.1942	1,000,000	J & J	105	Jan. 10,19'	....	....	....
Consol. Tobacco Co. 50 year g. 4's.1951	157,378,200	F & A	59¼	Jan. 30,'04	61⅜	55⅛	2,765,000
" registered..................		F & A	51⅛	Aug. 5,'03	....	....	....
Dis. Secur. Cor. con. 1st g. 5's....1927	13,379,000	A & O	67	Jan. 29,'04	68⅛	63	284,000
Dis. Co. of Am. coll. trust g 5's..1911	2,530,000	J & J	99	Sept.16,'03	....	....	....
Illinois Steel Co. debenture 5's...1910	1,400,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	100	May 2,'02	....	....	....
Internat'l Paper Co. 1st con.g 6's.1918	9,700,000	F & A	106⅛	Jan. 12,'04	106¾	106⅛	10,000
Int. Steam Pump 10 year deb. 6's.1913	2,500,000	J & J	98⅛	Jan. 18,'04	98⅛	98	10,000
Knick'r'ker Ice Co.(Chic) 1st g 5's.1928	1,937,000	A & O	93	Feb. 24,'03	....	....	....
Lack. Steel Co., 1st con. g. 5's....1923	15,000,000	A & O	93¼	Jan. 29,'04	93⅛	93	45,000
Nat. Starch Mfg. Co., 1st g 6's...1920	2,924,000	J & J	90⅞	Dec. 21,'03	....	....	....
Nat. Starch. Co's fd. deb. g. 5's..1925	4,137,000	J & J	64	Dec. 7,'03	....	....	....
Standard Rope & Twine 1st g. 6's.1946	2,740,000	F & A	45	Jan. 27,'04	47	35	29,000
Standard Rope & Twine inc.g.5s..1946	7,500,000	......	3¾	Jan. 28,'04	4¼	1¾	175,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	JANUARY SALES. *High.*	JANUARY SALES. *Low.*	JANUARY SALES. *Total.*
United Fruit Co., con. 5's	1911	3,794,000	M & S	....	....	....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's	1918	2,000,000	J & J	....	....	....	....	....
U. S. Leather Co. 6% g s. fd deb.	1915	5,280,000	M & N	109	Jan. 23,'04	109	107¾	8,000
U. S. Reduction & Refin. Co. 6's.	1931	....	....	79	Aug.12,'03	....	....	....
U. S. Shipbldg. 1st & fd g. 5's Ser. A.	1932	14,500,000	J & J	25⅛	July 21,'03	....	....	....
• collat. and mge. 5's.	1932	10,000,000	F & A	91	Jan. 15,'03	....	....	....
U.S. Steel Corp. 10-60 yr. g. sk. fd 5's	1963	....	M & N	72½	Jan. 30,'04	75½	68¾	22150000
• • • reg.	1963	152,902,000	M & N	73	Jan. 30,'04	74¾	68¾	82,000
BONDS OF COAL AND IRON COS.								
Col. Fuel & Iron Co. g. s. fd. g 5's.	1943	5,855,000	F & A	98¾	Jan. 28,'04	99	97¾	244,000
• conv. deb. g. 5's	1911	2,541,000	F & A	78½	Jan. 28,'04	78½	69	184,000
• • registered			F & A	....	....	....	....	....
• • Trust Co. certfs		11,527,000	....	....	....	....	....	....
Col. C'l & I'n Dev. Co. gtd g. 5's.	1909	700,000	J & J	55	Nov. 2,19'	....	....	....
• Coupons off		....	....	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's	1919	640,000	M & N	104	Dec. 30,'03	....	....	....
Grand Riv. C'l & C'ke 1st g. 6's.	1919	949,000	A & O	115	June 23,'02	....	....	....
Continental Coal 1st s. f. gtd. 5's.	1952	2,750,000	F & A	....	....	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's	1926	1,588,000	J & D	105⅛	Oct. 10,'98	....	....	....
• 2d g. 5's	1926	1,000,000	J & D	102⅛	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal & Coke 1st g. 5's	1951	3,000,000	J & J	105	Oct. 24,19'	....	....	....
Pleasant Valley Coal 1st g. s. f. 5s.	1928	1,162,000	J A J	106¼	Feb. 27,'02	....	....	....
Roch & Pitts. Cl & Ir. Co. pur my 5's.	1946	1,064,000	M & N	....	....	....	....	....
Sun. Creek Coal 1st sk. fund 6's.	1912	835,000	J & D	....	....	....	....	....
Tenn. Coal, Iron & R.R. gen. 5's.	1951	3,000,000	J & J	99	Nov.24,'03	....	....	....
• Tenn. div. 1st g. 6's	1917	1,193,000	A & O	100	Dec. 11,'03	....	....	....
• Birmingh. div. 1st con. 6's	1917	3,650,000	J & J	101½	Jan. 12,'04	103	101½	4,000
Cahaba Coal M. Co., 1st gtd. g. 6's	1922	892,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C & I Co. gtd. g. 6's	1910	2,729,500	F & A	100⅛	Jan. 6,'04	100⅛	100⅛	2,000
Va. Iron, Coal & Coke, 1st g. 5's.	1949	6,653,000	M & S	68½	Jan. 28,'04	70	68	13,000
Wheel L. E. & P. Cl Co. 1st g 5's.	1919	846,000	J & J	32	Jan. 15,19'	....	....	....
GAS & ELECTRIC LIGHT CO. BONDS.								
Atlanta Gas Light Co. 1st g. 5's.	1947	1,150,000	J & D	....	....	....	....	....
B'klyn Union Gas Co. 1st cong. 5's.	1945	14,493,000	M & N	114	Jan. 28,'04	114	112¾	26,000
Buffalo Gas Co. 1st g. 5's	1947	5,900,000	A & O	74	June 24,'03	....	....	....
Columbus Gas Co., 1st g. 5's	1932	1,215,000	J & J	104½	Jan. 28,'98	....	....	....
Detroit City Gas Co. g. 5's	1923	5,608,000	J & J	96½	Jan. 29,'04	96¾	96	32,000
Detroit Gas Co. 1st con. g. 5's	1918	381,000	F & A	105	June 2,'03	....	....	....
Equitable Gas Light Co. of N. Y. 1st con. g. 5's	1932	3,500,000	M & S	112	Nov.11,'03	....	....	....
Gas. & Elec. of Bergen Co. c. g. 5s.	1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. del. g. 3½'s	1942	2,049,400	F & A	88⅛	Jan. 28,'04	88⅛	88⅛	1,000
Grand Rapids G. L. Co. 1st g. 5's.	1915	1,225,000	F & A	107¾	Dec. 17,19'	....	....	....
Hudson Co. Gas Co. 1st g. 5's	1949	9,180,000	M & N	105	Jan. 25,'04	105	104	11,000
Kansas City Mo. Gas Co. 1st g 5's.	1922	3,750,000	A & O	....	....	....	....	....
Kings Co. Elec. L. & Power g. 5's.	1937	2,500,000	A & O	....	....	....	....	....
• purchase money 6's	1997	5,010,000	J & J	117½	Jan. 12,'04	117½	117½	2,000
Edison El. Ill. Bkln 1st con. g. 4's.	1939	4,275,000	J & J	93¼	May 29,'03	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's.	1919	10,000,000	Q F	106¾	Jan. 26,'04	106¾	106	8,000
• small bonds				97½	Nov. 1,'95	....	....	....
Milwaukee Gas Light Co. 1st 4's.	1927	6,000,000	M & N	89½	Jan. 6,'04	89¾	87½	44,000
Newark Cons. Gas, con. g. 5's	1948	5,274,000	J & D	....	....	....	....	....
N.Y. Gas EL. H & P Co 1st col tr g 5's.	1948	15,000,000	J & D	108½	Jan. 30,'04	108¾	107	91,000
• registered			J & D					
• purchase mny col tr g 4's.	1949	20,927,000	F & A	93¼	Jan. 30,'04	93¾	92	67,000
Edison El. Illu. 1st conv. g. 5's.	1910	4,312,000	M & S	105	Jan. 19,'04	105	104	34,000
• 1st con. g. 5's	1995	2,156,000	J & J	114	Aug.12,'03	....	....	....
N.Y. & Qus. Elec. Lg. & P. 1st. c. g. 5's	1930	2,272,000	F & A	102	Jan. 19,'04	102	101	6,000
N.Y. & Richmond Gas Co. 1st g. 5's.	1921	1,000,000	M & N	102¾	Apr. 30,'03	....	....	....
Paterson & Pas. G. & E. con. g. 5's.	1949	3,317,000	M & S	....	....	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's.	1904	2,100,000	M & N	100¼	Dec. 11,'03	....	....	....
• 2d gtd. g. 6's	1904	2,500,000	J & D	100⅛	Dec. 16,'03	....	....	....
• 1st con. g 6's	1943	4,900,000	A & O	117½	Dec. 22,'03	....	....	....
• refunding g. 5's	1947	2,500,000	M & S	104	Nov.21,'03	....	....	....
• refuding registered			M & S	....	....	....	....	....
Chic. Gas Lt & Coke 1st gtd g. 5's.	1937	10,000,000	J & J	106½	Jan. 22,'04	107	106½	4,000
Con. Gas Co. Chic. 1st gtd. g. 5's.	1936	4,346,000	J & D	106	Jan. 22,'04	106	105	12,000
Eq. Gas & Fuel, Chic. 1st gtd. g. 6's.	1905	2,000,000	J & J	102½	Dec. 2,'03	....	....	....
Mutual Fuel Gas Co. 1st gtd. g. 5's.	1947	5,000,000	M & N	100	Nov.27,'03	....	....	....
• registered		....	....	....	....	....	....	....
Syracuse Lighting Co. 1st g. 5's.	1951	2,000,000	J & D	....	....	....	....	....
Trenton Gas & Electric 1st g. 5's.	1949	1,500,000	M & S	109	Feb. 8,'01	....	....	....
Utica Elec. L. & P. 1st s. f'd g. 5's.	1950	1,000,000	J & J	....	....	....	....	....
Westchester Lighting Co. g. 5's.	1950	5,330,000	J & D	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE.		JANUARY SALES.		
			Price.	*Date.*	*High*	*Low.*	*Total.*
TELEGRAPH AND TELEPHONE CO. BONDS.							
Am.Teleph.&Teleg.coll.trust.4's.1929	28,000,000	J & J	96⅛	Apr. 29,'03	....	....	....
Commercial Cable Co. 1st g. 4's.2397.	} 10,747,300	Q & J	100⅛	Apr. 8,'02	....	....	....
" registered....................		Q & J	100⅛	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.							
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	} 1,823,000	M & N	110⅝	Nov.19,'03			
" registered....................		M & N					
N. Y. & N. J. Tel. gen. g 5's.......1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's...1938	8,504,000	J & J	107	Jan. 27,'04	107⅛	107	13,000
{ " fundg & real estate g.4½'s.1950	16,000,000	M & N	103¾	Jan. 29,'04	104	101⅛	208,000
{ Mutual Union Tel. s. fd. 6's....1911	1,957,000	M & N	107½	June23,'03	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

NAME *Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1904.		JANUARY SALES.		
			High.	*Low.*	*High.*	*Low.*	*Total.*
United States con. 2's registered...1930		Q J	105⅝	105½	105⅝	105½	155,000
" con. 2's coupon............1930	535,020,750	Q J	105⅝	105¼	105⅝	105¼	23,000
" con. 2's reg. small bonds..1930		Q J	....	....	....	....	......
" con. 2's coupon small bds.1930		Q J	....	....	....	....	......
" 3's registered...........1908-18		Q F	....	....	....	....	......
" 3's coupon.............1908-18	78,108,960	Q F	108	107⅝	108	107⅝	6,000
" 3's small bonds reg.....1908-18		Q F	....	....	....	....	......
" 3's small bonds coupon.1908-18		Q F	....	....	....	....	......
" 4's registered..............1907	163,507,000	J A J&O	108	107¼	108	107¼	5,500
" 4's coupon..................1907		J A J&O	107½	107½	107½	107½	1,500
" 4's registered..............1925	118,489,900	Q F	....	....	....	....	......
" 4's coupon..................1925		Q F	134	134	134	134	1,500
" 5's registered..............1904	10,120,350	Q F	....	....	....	....	......
" 5's coupon..................1904		Q F	....	....	....	....	......
District of Columbia 3-65's...........1924		F & A	....	....	....	....	......
" small bonds.....................	14,224,100	F & A	....	....	....	....	......
" registered......................		F & A	....	....	....	....	......
STATE SECURITIES.							
Alabama Class A 4 and 5..............1906	6,859,000	J & J	....	....	....	....	......
" " small............	....	....	....	....	....	....	......
" Class B 5's...................1906	575,000	J & J	....	....	....	....	......
" Class C 4's...................1906	962,000	J & J	....	....	....	....	......
" currency funding 4's.......1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.							
Louisiana new con. 4's................1914	} 10,752,800	J & J					
" " small bonds..........			....	....	....	....	......
Missouri fdg. bonds due..........1894-1895	977,000	J & J	....	....	....	....	......
North Carolina con. 4's...............1910	} 3,397,350	J & J	....	....	....	....	......
" small........................		J & J					
" 6's.......................1919	2,720,000	A & O	102½	102½	102½	102½	1,000
South Carolina 4½'s 20-40.............1933	4,392,500	J & J	....	....	....	....	......
Tennessee new settlement 3's.........1913	6,681,000	J & J	....	....	....	....	......
" registered......................	6,079,000	J & J	....	....	....	....	......
" small bond......................	362,200	J & J	....	....	....	....	......
Virginia fund debt 2-3's of...........1991	} 18,047,057	J & J	....	....	....	....	......
" registered......................		J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871	3,974,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871.....	8,716,565	....	12	6¼	8	7	134,000
FOREIGN GOVERNMENT SECURITIES.							
Frankfort-on-the-Main, Germany, bond loan 3½'s series 1......1901	14,776,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.							
Imperial Russian Gov. State 4% Rente....	2,310,000,000	Q M	....	....	....	....	......
Two rubles are equal to one dollar.	(Rubles.)						
Quebec 5's.............................1908	3,000.000	M & N	....	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's....................	....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200............................	£22,162,120	......	....	....	....	....	......
Small bonds denominations of £20......	....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.	....	......	....	....	...	....	......

BANKERS' OBITUARY RECORD.

Bainbridge.—Henry Bainbridge, for forty years an employee of the National Bank of North America, New York city, died January 21. He was born in New York city in 1825 and was a grandnephew of Commodore Bainbridge of the American Navy. Mr. Bainbridge went to California in 1849, and remained there until 1855. He entered the service of the National Bank of North America in 1864, and for many years had held the position of discount and coupon clerk.

Bell.—Horace S. Bell, a director of the First National Bank, Albany, N. Y., and Vice-President of the Albany City Savings Institution, died January 4. He was born in Columbia county, N. Y., February 8, 1845, and went to Albany in 1858, where he went into the grocery business, and continued to be actively engaged in that line up to his death.

Coutts.—J. H. Coutts, President of the City National Bank, Tipton, Iowa, died January 8, aged fifty-five years.

Finley.—R. E. Finley, President of the Citizens' Banking and Trust Co., Coshocton, Ohio, and a wealthy capitalist, died January 2.

Foster.—Hon. Charles Foster, formerly in the banking business at Fostoria, Ohio, died January 9. He was born in Seneca county, Ohio, in 1828. Mr. Foster was for many years a prominent figure in Ohio politics, having been a member of Congress and twice Governor of the State. In 1891 he was appointed Secretary of the Treasury.

Fowler.—Denton Fowler, President of the People's Bank, Haverstraw, N. Y., died January 12. He was born near Newburgh, December 6, 1825.

Green.—Charles O. Green, Vice-President of the Northborough (Mass.) National Bank, died January 5. He was born at Shrewsbury, Mass., in 1841, and had always resided there.

Kurtz.—J. L. Kurtz, Vice-President of the Centre County Banking Co., Bellefonte, Pa., died January 19.

McCutchen.—E. H. McCutchen, head of the banking firm of E. H. McCutchen & Co., Holstein, Iowa, and a prominent business man and politician, died January 8, aged fifty-five years.

Miller.—Charles A. Miller, Trust Officer of the Williamsburg Trust Co., Brooklyn, N. Y., died January 28. He was born in New York fifty-one years ago. For a time he was employed in a bank at Waterbury, Ct., and was for many years with the First National Bank, of Brooklyn.

Milligan.—William G. Milligan, of Little Falls, N. Y., died January 8, aged nearly eighty-seven years. In 1850 he entered the Herkimer County Bank as a bookkeeper, became Cashier in 1867, and in 1888 was elected President. He retired a few years ago after an active service of fifty years.

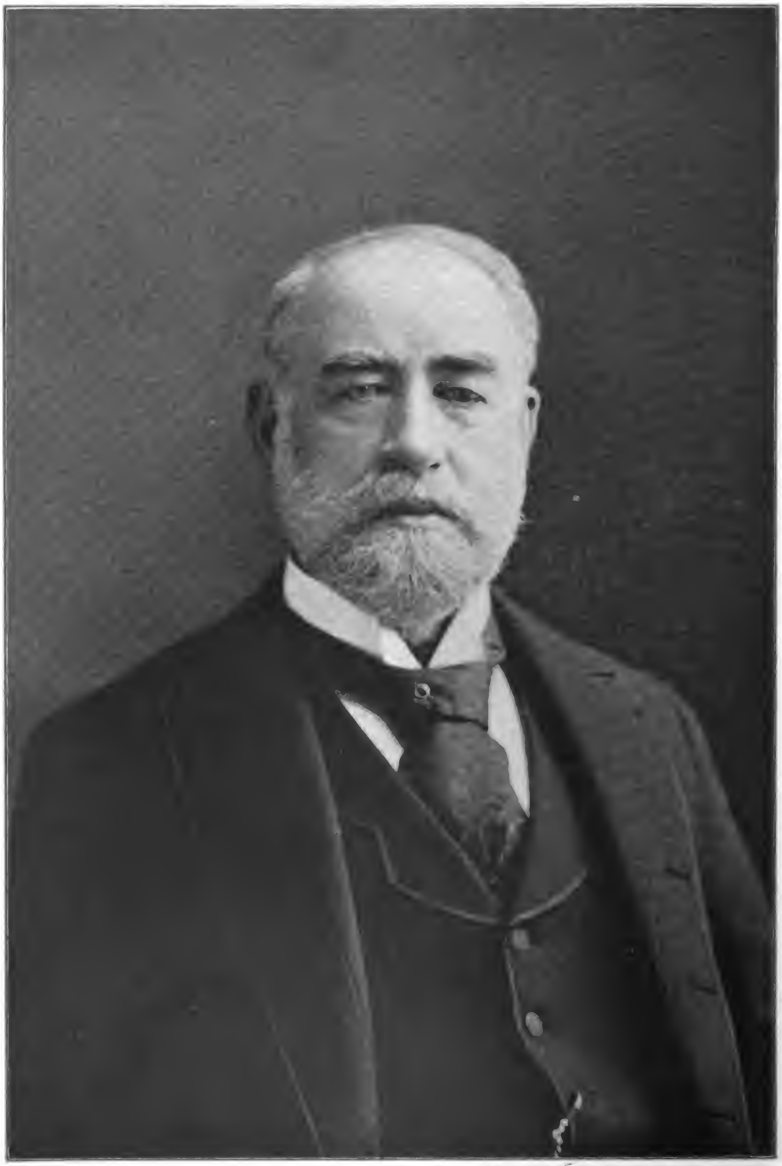
Moffitt.—Gen. Stephen Moffitt, President of the Plattsburg (N. Y.) National Bank, died January 3. At the breaking out of the Civil War he enlisted in the Union Army as a private, and won promotion to the rank of brevet Brigadier General. He was twice collector of customs for the Champlain district, was a member of the Assembly in 1889, and had held several other offices at different times.

O'Neal.—W. C. O'Neal, President of the American National Bank, Pensacola, Fla., and also President of the Enterprise (Ala.) Banking Company, died January 11.

Richardson.—Oscar F. Richardson, a broker in commercial paper, doing business in New York city, died January 23. He was born at Three Rivers, Mass., about sixty-three years ago. Early in life he came to New York and entered a bank as a clerk, and later was with a trust company. For a time he was a State bank examiner. He was one of the organizers of the Nassau Trust Co., of Brooklyn, and was Secretary for a number of years.

Rosenfield.—Joseph Rosenfield, President of the People's National Bank, Rock Island, Ill., died January 3 at Los Angeles, Cal.

White.—Joseph B. White, second Vice-President of the Hamilton Trust Co., Brooklyn, N. Y., died January 14, aged forty-nine years. He was educated at Yale University. When the Kings County Trust Company was organized in Brooklyn, he became Secretary, resigning this office in 1891 to take a similar position with the Hamilton Trust Company, later becoming Vice-President.



HON. GEO. F. SEWARD

President Fidelity and Casualty Company, New York

For biographical sketch, see page 382.

THE

BANKERS' MAGAZINE

RHODES' JOURNAL OF BANKING and THE BANKERS' MAGAZINE Consolidated.

FIFTY-EIGHTH YEAR. MARCH, 1904. VOLUME LXVIII, No. 3.

THE TRAGICAL ENDING OF THE CAREER OF WHITAKER WRIGHT, after his conviction of fraud and sentence to seven years of penal servitude by the high court of justice of Great Britain, may have the effect of creating an unwholesome sympathy for the man. The nature of the transactions which resulted in his punishment were similar to those which the history of financial promotion shows to have repeatedly been carried on by other Napoleons of finance with comparative immunity from the penalties of the law.

The surprise evidenced, both in the United States and in Great Britain, at the successful prosecution of WRIGHT, indicates that to some extent the public sense of right and wrong has been deadened by the amazement caused by the magnitude of the fraudulent operations. Men who take advantage of the credulity or confidence of their fellow men to aggrandize themselves on a large scale, whether in Government or finance, always run great risks. Even if they escape the legal machinery which grinds out the punishment of lesser criminals, who can deny that they are punished in the collapse of their schemes?

Perhaps it is a belief that men like WHITAKER WRIGHT are sure sooner or later to fall crushed under the ruins of their schemes, that makes the public rather indifferent to ordinary forms of punishment. For a man who has deceived and ruined thousands, who has caused men like LORD DUFFERIN to die of shame and chagrin because they have been his stool-pigeons, any human punishment that could be inflicted seems entirely inadequate.

Notwithstanding the natural indifference which such a reflection occasions, it is still necessary that society, for its own protection, should set its mark in some way on those who avail themselves of the weakness of humanity. The object is not so much vengeance on the sinners, but to open the eyes of the public to a clear apprehension of right and wrong. The public conscience has to be roused.

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In all of the class of men who have exploited the public by taking advantage of their love of gain to build up great speculations, there is perhaps a certain amount of sincerity. Many of them deceive themselves, and think they intend to confer real benefits. They believe themselves to be philanthropists. They probably experience no great pleasure in issuing deceptive prospectuses or in publishing false balance sheets. They do evil that good may come.

From all accounts, WHITAKER WRIGHT had apparently a greater belief in the ultimate solidity of his schemes than many of those who have been concerned in similar transactions. It does not appear that he was as cynical and shameless in his confession of his purposes as has appeared to be the case with men who have been prominently connected with analogous financial transactions in this country. The revelations which were made in the court proceedings relative to the ship-building trust show an attitude of mind toward the trusting public which in cynicism and conscious intent to victimize surpasses anything that has been related about WRIGHT. Even if the latter were at heart no better, he seems to have had the decency to have preserved at least the appearance of respectable intentions. It is not unusual to hear green-goods and petty confidence men and card gamblers talk about the public as suckers or as sheep to be sheared, and to assume a certain superiority over the average man, because the latter still retains beliefs in the good intentions and honesty of his fellow creatures; but it is rather unusual for men standing high in positions of financial trust to confess to holding almost similar beliefs. They almost seem to excuse their attitude in leading the investing public to throw away their means on worthless securities, by assuming that love of gain is a crime and confidence in others a form of idiocy. They appear to pose as providential forces, created for the wise purpose of curing the mass of mankind of their foolishness and greediness. WHITAKER WRIGHT does not appear to have been so openly cynical.

In the United States there is undoubtedly a smaller regard for the forms of respectability than in Great Britain. There is less inclination to what is called hypocrisy. But as philosophers define hypocrisy as the homage which vice pays to virtue, the decline of hypocrisy is perhaps an indication that vice is slowly gaining the ascendant. An unblushing rascal is perhaps worse than a hypocritical rascal. At least, a lower state of public morals is shown where rascality succeeds with a smaller pretext of disguising itself. The sheep are becoming stupid or crazy when the wolf hardly takes pains to pull the sheepskin around him.

It is this decline of ability on the part of the public to distinguish that renders it necessary to inflict conspicuous legal punishment on

such men as WRIGHT. The growing tendency in the public mind to feel contempt for those who have been so soft and destitute of wisdom as to become the dupes of swindlers and sharpers, is accompanied by an increasing admiration for the cool, sharp and cynical gambler or confidence man who preys on their innocence. The American sense of humor permits the ridiculous attitude of the gull to obscure the sense of justice that should lead to the punishment of the man who cheats and robs his fellows. If the petty gambler and confidence man thus win sympathy, how much more does the man whose financial reputation and superior wealth are used on a large scale for purposes analogous to those of the common sharper.

It has been said that such a man as WHITAKER WRIGHT could not be prosecuted in the United States; that there is something peculiarly favorable to obtaining justice and punishing fraud in British courts. It must be remembered, however, that there was much hesitancy in undertaking WRIGHT'S prosecution. The Government, when appealed to, refused. It was done finally on private initiative. No doubt the same thing against a man guilty of like frauds could be accomplished in the United States were any one aggressive enough to try, and determined and public-spirited enough to push the matter on, even if offered compensation for losses.

The fate of WHITAKER WRIGHT, successfully called to account for frauds on the largest scale, should do something toward causing a more healthy public opinion in financial circles, not only in England but also in this country.

THE OUTBREAK OF WAR BETWEEN RUSSIA AND JAPAN, it had long been foreseen, could not have been averted. It was too much to expect that Japan would long put up with the tactics for delay that characterized the negotiations on the part of Russia. It is a struggle of populations rather than of rulers, and a decisive clean-cut settlement of the struggle cannot be expected. The efforts of diplomats and governments to arrange questions of this kind can never be final. The results of such wars and negotiations are temporary adjustments, modes of existing as it were, until living becomes again unbearable and a new struggle must begin.

Japan, apparently, has obtained the control of the sea, and the ease with which this has been accomplished points to natural facility in naval matters superior to that of the Russians. There have already been many indications that both parties will seek to obtain supplies from the United States. It is evident that with the best weather conditions the Siberian railroad cannot furnish the transportation required to supply the Russian armies with food even if it can carry

the men and equipments to the point of contest. At present the winter renders the line still more ineffective. Even if the armies of the two combatants were now face to face, it is difficult to see how an effective campaign can be carried on under the present climatic conditions. Russia, without ships, cannot very well get at Japan, while the latter, controlling the sea, can attack at any point she deems advisable.

Notwithstanding the disposition of other powers to do so, it will be very difficult to keep China out of the contest. Her hatred of Russia is greater than her aversion to the Japanese, and continued success by Japan will greatly tempt China to join in the fight against Russia.

THE GREAT FIRE IN BALTIMORE in the center of the business and financial district has caused a sensation only equalled in the United States by the great fires in Chicago and Boston. Much has been said about the vulnerability of fire-proof structures shown by the Baltimore fire, but one thing has been proved—that the vaults and safes of the financial institutions do afford a safeguard to their contents. It is a matter of congratulation that after a fire which seemed to set at nought the strongest buildings, most of the banks and trust companies found their papers and valuables unharmed to any serious degree, and were ready to resume business as soon as new office room could be obtained. The losses of the fire cannot yet be correctly estimated. It is to be hoped that the very large figures at first announced will be cut down. The amounts to be paid by the insurance companies have already been reduced from something over $100,000,000 to about $40,000,000. But of course the loss of the insurance companies do not begin to represent the total loss in buildings and other property. It is safe to say that the exact amount of this, as in the case of the great fire in Chicago in 1871, and the great fire in Boston in 1872, will never be given in exact figures.

A great fire wipes out just so much property. The fact that a loss of this kind is insured only shifts the burden. Nor does the insurance company alone bear the loss. It is felt directly in the securities which have to be thrown on the market to raise cash to pay losses. The insurance companies also seek to recoup themselves and throw the burden on the general public as far as they can by raising rates.

There is, in fact, beyond the loss of material property which must be replaced, a very large redistribution of wealth in paying insurance and in the various financial processes by which the burnt-up property is replaced. All the buildings and contents have to be put in something approaching their former condition. Generally, in fact, the burnt out portions are rebuilt on a more expensive scale than before.

Opportunity is taken to remedy old defects in construction, and arrangement of streets. The reconstructed Chicago and Boston are finer than they were before and perhaps less liable to a similar catastrophe. So it may be with Baltimore, whose narrow streets were no doubt in part responsible for the wide sway of the fire.

While there is no doubt of the misfortune and loss consequent on a catastrophe of this kind, yet the old adage about an ill-wind that blows nobody any good applies to some extent at least. The rebuilding of a city must bring out an amount of energy and effort that might not otherwise have been employed. The waste of the fire is in a measure compensated by the utilization of an amount of business energy and intellect that might otherwise have lain dormant and never have been employed or perhaps had scope for employment.

This calling out of new efforts is effected by a redistribution of wealth. Providence has set a task which will disturb the ease and well-earned rest of many, and will give many others remunerative employment. The replacement of property destroyed by wars or disasters has invariably been attended by an activity of physical and mental energies which has in the end produced results that made it difficult to deny that what at first appeared to be unalloyed evil was in some measure the cause of good. As long as the world contains so many undeveloped resources, that still afford a field for the exercise of human energy, no one can advocate the ideas said to have been entertained by the communists of Paris in 1870—that the visible products of human energy and mind ought periodically to be destroyed so that existing mind and energy should have full scope for its exercise. There is, however, a modicum of truth in the most erroneous doctrines, else they would never find lodgment in the minds of the most ignorant disciples. It requires no soothsayer to predict that Baltimore, like the fabled Phœnix, will rise more resplendent than ever from its ashes. We already have the valid precedents of Chicago and Boston.

IN FINANCING THE WAR both Russia and Japan seem to some extent to be resorting to analogous methods. Russia has a large reserve of gold. As shown last month the Imperial Bank of Russia had a reserve of \$430,250,000. The Government is now issuing Treasury notes to the extent of \$50,000,000. Against the gold in the bank there are \$289,000,000 bank notes outstanding. If notes are issued on the gold in the Russian bank to the same percentage that the United States legal-tender notes bear to the \$150,000,000 gold reserve, the total amount would be about one billion of dollars. The gold accumulated for the resumption of specie payments and the

establishment of the gold standard thus furnishes Russia with a vast resource for carrying on the war if she should choose to use it to the fullest extent. There have also been rumors of negotiations for loans in France and elsewhere from which nothing appears as yet to have materialized. But the present resources afforded by the gold reserve enable Russia to wait for a favorable opportunity for a loan.

Japan has already called for a loan of twenty-five millions from her own citizens and it will probably be successfully placed. But in addition to this the Emperor has ordered that all the old coins and specie be gathered from all parts of the Empire to strengthen the bank reserves. Presumably this is to provide for issues of notes.

These preparations go to show that each country is providing for what may be a long and tedious struggle. Neither nation can, since Japan appears to have control of the sea, strike each other in a vital part so as to make either willing to ask for a cessation of hostilities. Eventual weakness must proceed from the extremities to the heart.

Although modern wars are truly said to depend on the length of the purse, and both Russia and Japan are regarded as financially less strong than other great nations, yet the extent to which a nation can find resources to continue war, while its own home territory is not seriously invaded, has never been fully proved. The animus between Russia and Japan is bitter enough to insure the most desperate efforts on both sides.

The effect which this struggle will have on the money markets of the rest of the world depends on the success with which the neutrality of other nations is preserved. If a disposition to meddle is shown it is impossible to guess what the results may be; but financiers will naturally hesitate to take any definite action until the chief nations have had a chance to show they are sincere in their wish to maintain neutrality. Whatever the result of Mr. HAY'S note, it may serve to draw out the real intention of the governments addressed.

WHEN THE SECRETARY OF THE TREASURY accepted State and municipal bonds as security for public deposits he virtually established a new precedent. Although the provisions of the National banking laws may be so construed as to warrant such action, yet as a matter of fact they had not been so construed by any Secretary previously. Bonds of the United States were the only securities accepted, except perhaps in the case of deposits by the Post Office Department.

Even if it be claimed that this enlargement of the security basis for public money was allowed on account of an emergency existing at the time, and which there was no other satisfactory way of meet-

ing, yet this would not prevent similar future action whenever conditions might seem to require it. An emergency is a peculiarly indefinite quantity, and there is no competent authority to decide as to exactly what conditions constitute one.

The fact remains that until Congress shall either forbid or enact some law to regulate the use of securities other than United States bonds as security for the deposit of public moneys with the banks, the Secretary of the Treasury will be likely to be importuned to again exercise his discretion in the same manner as Mr. SHAW has done. Although political opponents may allege that the Secretary overstepped his powers, and although there is even a plausible color for this allegation, yet every fair-minded examiner of the law must conclude that, whatever previous practice in accepting United States bonds as security for deposits, previous Secretaries could, if they had deemed it advisable, have accepted other security in the same manner, without violating the spirit of the law. When a National bank is designated by the Secretary of the Treasury as a depositary of public moneys, the law reads that he shall require of such associations "satisfactory security, by the deposit of United States bonds and otherwise, for the safe-keeping and prompt payment of the public moneys deposited with them, and for the faithful performance of their duties as financial agents of the Government." The words "and otherwise" would seem to give the Secretary some discretion. This is the view taken by Secretary SHAW.

The evident design of the law was to give the Government power to demand services of the banks to which it had granted charters, whenever such services were required. The law does not seem to be founded on the supposition that being designated as a depositary of public money is a service rendered by the Government to the bank, but just the contrary; that a bank, however great the inconvenience to itself, must when called on render service to the Government.

The surplus revenues have served to conceal and obscure the evident contemplation of the law, that public deposits might as often prove an inconvenience as a convenience to a bank. When there is no surplus the deposits of the Government might as a rule prove less desirable as a source of profit than the ordinary run of deposits. The designated depositaries would under such conditions usually be no more than conduits through which the collectors of internal revenue could transmit funds to the independent Treasury, and disbursing officers distribute funds to creditors of the Government. But the excess of revenues which from time to time piles up a surplus, has altered the point of view entirely. When the amounts pouring into the banks from revenue collections are drawn down and locked up

in the independent Treasury, the sinister effect on the money markets forced the Government to leave large balances with the banks, and these large balances could be profitably used by them.

To be a designated depositary of public moneys has therefore more often been a distinct advantage to a National bank than otherwise. To the ordinary convenience of having depositaries at all convenient points for the collection and disbursement of money, has been added the further convenience that through them the Government could aid the money market and prevent to some extent the damage to the general public from locking up surplus revenues in the independent Treasury.

It can easily be seen that a Secretary of the Treasury might justly exercise a discretion as to the security required, according to the average balance of the depositary. If the public moneys paid into a bank one day were drawn out the next so that the ordinary balance was little or nothing, he might justly consider the ordinary strength of the bank on which its ordinary customers rely, would be sufficient security for the Government without the deposit of specific bonds of any kind. When the balance became larger or was left for indefinite periods, further requirements as to security might be in order. In fact, the law seems to have been intended to give a wider discretion as to security required than has yet been exercised.

In accepting other bonds than those of the United States the Secretary cannot justly be accused of exceeding the discretion granted by law in dealing with the designated depositaries. He has not in fact gone as far as he might have gone. He has, however, furnished a precedent for exercising a wider discretion than was exercised by any of his predecessors. The only criticism that can be made is that he has broken through a narrow construction of the law relative to security required of the depositaries of public moneys, which had been acted on so long as to almost acquire the force of law. But sometime or other, with the reduction of the national debt, if the banks continue to be used as depositaries and financial agents of the Government, there would have to be a change in the custom. Something else would have to be required and accepted when United States bonds could no longer be had. On the whole the Secretary took a common-sense view of the discretion vested in him and has perhaps rendered a service to the banks and the public in showing that the law was of wider scope than the limits previous operations under it seemed to impose. It would be time to modify and improve the law if there had ever been any manifestations of reckless use of the discretion intrusted to the Secretary. But this action of Secretary SHAW and his predecessors shows that only the greatest pressure would induce a Secretary of the Treasury to exercise the full discretion the law evi-

dently allows them. The tendency is toward confining the securities accepted to the very safest limits. Any attempt to change the law would work detriment rather than improvement.

THE MONEY IN CIRCULATION, as shown by the Treasury reports, continues to increase. From January 1st to February 1st there was an addition of $22,000,000. The remarkable feature, however, is that the whole increase was in gold certificates, all other kinds, silver certificates, silver dollars, legal-tender notes, Treasury notes and National bank notes, showed a falling off. The gold certificates increased $48,000,000, the difference between this sum and the $22,000,000, being the actual diminution in the other items.

The gold certificates outstanding have now become the largest item of the money in circulation, having at last passed the silver certificates. It is evident that the elasticity of the money of the country is now in very great measure dependent upon the gold supply. Gold coin itself has never entered very largely into the general circulation. Only in California is gold coin seen in any large amounts in ordinary transactions. In the Treasury reports of the money in circulation in the country, a large amount of gold coin is set down. On February 1, this was $627,905,855. On January 1, it was $627,970,533. It is very difficult to arrive at the exact amount of the gold held by the banks at any given date. The report of the Comptroller of the Currency gives a statement showing that in June, 1903, something over 13,000 banks held about $138,000,000 of gold. This leaves nearly $500,000,000 of gold somewhere in the country in the hands of the people. It is surprising that more of this is not visible in ordinary payments between the people, or that more of it does not pass through the banks. It is still more surprising that there is not some tendency to bring this gold and receive gold certificates for it. The increase in gold certificates issued by the Treasury during the month of January was $40,774,068. The gold deposited for these certificates came mainly from free gold previously in the Treasury. Only $12,243,777 came from outside sources, and only $70,000 came from the fund of 600 and odd millions that is held by the people and the banks.

It is probable that the mystery which surrounds this $500,000,000 of gold, which all estimators seem to agree must be somewhere in the United States, although it is not in the banks, and no one ever sees it passing in trade, will not be easily dissipated. It is possible that if gold certificates were issued in smaller denominations, say of five dollars, that some of it would reappear. The sum thus mysteriously concealed amounts to about six dollars of the per capita of $30, said

to be in circulation among the people and the banks. If it is really in existence it is largely laid away or hidden, and any plan by which it could be drawn into real circulation would add to the general monetary resources of the country. If in reality $500,000,000 of gold, known from mining statistics and from statistics of imports and exports to have come into the country, and not to have been seen to go out, cannot now be found, it is a sign that there is something wrong with statistics underlying the calculation. Of recent years gold does not disappear so readily. This fact alone goes to disprove any belief that there is a class of people who like to hide gold away. If there were such they would make inroads on the present supplies.

The great growth of banking, the general knowledge among the people that they can get interest on savings, the growth of Savings banks, all militate against the idea that anything like $500,000,000 in gold or gold coin could be in the hands of the people and not come to the banks. An investigation was made some years since by Mr. MUHLEMAN at the instance of the Treasury Department, but without much result. It might be worth while to try what can be done by offering gold certificates in small denominations. If it can not be made visible by this or any other means, there is reason to think that the estimated gold in the country is placed at too great a sum. The payments, in cash in and out of the banks, show sums of silver certificates, of legal-tender notes, of National bank notes, etc., fairly proportionate to the amounts of each of these kinds of notes said to be in the hands of the people. But it is not so with the gold coin said to be similarly held.

THE OPPORTUNITIES FOR THE INVESTMENT OF MONEY in local enterprises have been increasing within the last two years, and this is one reason why there has been less tendency to send money to the East than formerly. It has been repeatedly noticed that the reserves of the interior banks have been larger than formerly. There is not the same eagerness to pile up balances with their correspondents. The reason is, broadly, that these banks find ample use for their money nearer home. This condition will no doubt continue under opportunities for development which the tide of agricultural prosperity has encouraged for the past four or five years. The farmer by his success has inspired a confidence on the part of banks and other money lenders that is far in advance of anything known before. But this does not mean that the old money centers have lost their power. When the capital of the West becomes greater than can be used at home, the surplus will as before seek eastern markets. The banks in great commercial cities of the eastern coast will always find uses for

money when it cannot be profitably employed elsewhere. But with the construction of the Panama Canal and the trade to the Asiatic nations that will probably grow beyond all precedent after the struggle now progressing between Russia and Japan has terminated, the cities of the western coast of the United States will become greater commercial rivals of those on the eastern coast, and the surplus capital of the interior will move in both directions instead of exclusively to the East. The construction of the canal will probably affect the course of commercial enterprise much more than any one has as yet cared to prophesy. The cities on the Gulf of Mexico will very likely rival those of both the Atlantic and the Pacific. The aid to the advance in civilization which an interoceanic canal can hardly fail to be will open to enterprise great territories which have hitherto been inaccessible. These territories are rich in resources of all kinds. The capital for their development will come largely from the interior of the United States through the outlet of the Mississippi Valley.

The greater resources of the Western banks are as yet a result not of any change of conditions in the ebb and flow of money along the old lines, but of the greater wealth of the whole country. What future changes may result from new outlets and new markets, can yet only be surmised.

THE SAVINGS DEPOSITS OF THE WORLD are shown in the report of the Comptroller of the Currency for 1903. The table shows not only the Savings bank deposits of the world, but also the number of the depositors, with the average amount of deposit and the total deposits, the population, and the per capita deposit, for each of the important countries of the world. It is an impressive showing of the benefit which has been conferred on the human race by the instrumentality of Savings institutions.

The countries represented in the table are chiefly European or the colonies of European countries. In India Savings banks have been started under British auspices. Japan is the only Asiatic nation which has of its own motion started Savings banks. The United States shows the greatest aggregate of savings deposits, and Germany comes next. In the number of depositors the United States stands in the fifth rank, Germany takes the lead, with France and the United Kingdom following in order. The United States, however, leads in the average size of the deposit account. This would seem to indicate that the Savings banks of the United States do not attract very small savings, or that, as has often been asserted, they are used to some extent as a means of investment by comparatively

wealthy classes who do not perhaps patronize the Savings banks of other countries.

While the table is interesting as it stands, and is also one that must have been difficult to compile, it is easy to see that comparisons and deductions from the figures given must be made with circumspection. In some of the countries given the figures are confessedly incomplete, as they do not include all the Savings institutions of the country named. In many cases the figures include government and postal Savings banks of which there are not any in some of the other countries, notably the United States. With different kinds of Savings banks and with interest rates omitted, it is impossible to compare very accurately the saving habits of the different nations. Postal and government Savings banks may attract people to thrift when other Savings banks might not. The government alone can afford to conduct such institutions without profit or even at a loss. It depends also on the necessity the government is under of borrowing.

The table is very suggestive and makes it regrettable that it has been found impossible to compile all classes of Savings institutions in each country with the interest rates, so that they might be compared by classes. This would perhaps give a basis for a better understanding of the value of postal and government Savings banks. As it stands, the table gives a vivid idea of the power of thrift which in small sums has here accumulated a fund of nearly $10,000,000,000.

A FEDERAL CORPORATION LAW is proposed in a resolution recently introduced in the House of Representatives by Hon. ALLAN L. McDERMOTT, of New Jersey. The resolution provides for an amendment to the Constitution of the United States to restrain the formation of inter-State corporations under State authority, and conferring this power upon the Federal Government. In an article published elsewhere in this issue of the MAGAZINE Mr. McDERMOTT gives some reasons why he believes such a measure desirable.

That great abuses have arisen under the lax corporation laws of most of the States, is clearly apparent; but it is not so apparent that the best way to remedy these abuses is by proposing to amend the Federal Constitution. Such a proposal virtually comes to nothing, for there is not the slightest probability of this instrument being amended in accordance with the terms of this resolution or any one like it. But nevertheless Mr. McDERMOTT's discussion of this matter is not only interesting, but it will direct attention to the evils that exist. The speediest way to remedy these evils is by arousing public opinion so that there will be a more rigid enforcement of existing laws and additional and more stringent State regulations where necessary.

THE ENDLESS PURSUIT OF WEALTH.

In the United States leaders in every line of activity, in politics and business, have been conspicuously prone to die, as it is said, in harness. The death of Mark Hanna is a case in point. But the list of those distinguished for their successful attainment of wealth and fame, who have continued their activities long after the advance of age and the diminution of physical strength must have warned them of the approaching end, is a very long one.

In the barbarous ages the man who sought and attained prominent position, paid the penalty of his ambition by discovering that he could not abdicate without danger. Philosophers, who were debarred from the paths of ambition, have always vaunted their superiority on account of the greater freedom of those who kept aloof and refused to strive for the prizes of the market-place and the arena. It is probably the remaining conditions of barbarism which have not yet been eliminated from modern civilization, that still, to an extraordinary degree, forbid the man who attains eminence from ever remitting his efforts or retiring to a leisure he has earned. The leader of men thus remains, like the leader of the animal herd, ready to meet any and all rivals until he dies or is overthrown by superior strength. As civilization progresses it is to be hoped that the struggle for the prizes of life may become less onerous in this respect.

In the older countries of Europe, on whose civilizations that of the United States is founded, it seems easier for men who have more or less successfully attained the object they aimed at to retire and enjoy freely the prizes they have gained, although even there the old barbaric struggle is in many cases kept up to the end. Public opinion there, too, is more tolerant of those who lay off the harness before being compelled to do so by the decree of fate. In this country, however, there seems to exist in the mind of the ordinary man a certain contempt for those who give up the strenuous paths of labor and ambition before their strength has wasted away. The successful men of the United States who have sprung from the masses are imbued with this opinion. Until within the last twenty five years the idea of retiring from active life and settling down to a life in which personal tastes and proclivities could be followed, was regarded as at least eccentric. The acquisition of great wealth, or any degree of wealth down to a competency, was thought to be merely a means of acquiring more wealth. Toward the end of the last century, the vanity of having no object in life except to pile up dollars, and to exercise the power thus gained to pile up more dollars, seems to have been gradually forcing itself on the perceptions of our wealthy men.

There have always been two necessary steps to be taken before retirement from active life could with safety be accomplished; one was the acquirement of wealth, and the other provision for its safe-keeping. As civilization progresses the second and more important step can be more easily managed. The individual no longer has to depend upon his own efforts to guard the store set aside for his future support. The power of corporations, originally

directed simply to the accumulation of wealth, is now to a very great extent applied to its conservation. A rich man need not feel to-day, as he once did, that it is necessary for him to remain continually on duty, because no other can conserve his fortune so well as he. Individual energy and sagacity are as necessary as ever to attain wealth, but once obtained it can now be more safely entrusted to the organized sagacity and energy of corporations.

The management of fortunes through the agency of others is of course no new thing, but it has never before been so protected and systematized as it is at the present time.

In Great Britain there has always been a wealthy leisure class, and naturally there has been a systematization of the manners and customs consequent on such an association of wealth and leisure. Public opinion is more tolerant of a man who wishes to do what he likes with his own than it has yet become in the United States. In this country there is yet a tendency to make public property of any individual who becomes conspicuous in even the most innocent way. Public opinion as yet tolerates manifestations of curiosity and interest in the doings of others that has a tendency to become oppressive to those who desire privacy of life. When the example of Mr. Carnegie, and other rich men who seek retirement is, as it probably will be, followed by all those who have attained to the degree of wealth they think adequate, when the continued strife for more wealth after sufficient has been gained comes to be regarded as foolish, conditions in the United States will gradually assimilate with those of older countries, and our retired men of fortune will perhaps not deem it necessary to expatriate themselves in order to enjoy freedom from the publicity which their earlier careers excited.

The existence of a leisure class, able and willing to enjoy their lives rationally and intelligently, is a check on the wilder exhibitions of leisure on the part of suddenly-acquired wealth. It also holds out something beyond mere money-getting as the goal of a successful life. It encourages retirement after reasonable fortune has been gained, and discourages to some extent the piling up of exaggerated redundancy. The effect of a more philosophical view of life on the part of our business men will tend to a more even distribution of wealth, and a levelling of the inequalities now so frequently pointed out.

PRUSSIAN SAVINGS BANKS.—According to the preliminary reports of the Statistical Correspondence, the figures covering all the Prussian Saving banks for the fiscal year 1902–3 were as follows: New deposits, $423,240,000; interest credits, $45,110,000; withdrawals, $349,260,000.

This shows an increase of deposits over the previous year of $119,090,000, the largest increase on record. For the previour year the increase amounted to $116,560,000, the highest known up to then. It is expected that the number of Savings-bank books will reach 10,000,000 within two or three years. In the years enumerated there were: 1874, 2,060,000; 1885, 4,210,000; 1893, 6,260,000; 1898, 8,050,000; 1902, 9,370,000. The population of Prussia on December 1, 1900, was 34,472,509.

THE BE GOOD TRUST.—Mother: Now, Bobby, if you're good for ten minutes, I'll give you a penny. Bobby: Can't do it, mother. Our Boys' Be Good Union has fixed the amalgamated scale at a penny for three minutes.—*Selected.*

FEDERAL CONTROL OF CORPORATIONS ENGAGED IN INTERSTATE BUSINESS.

[By Hon. ALLAN L. McDERMOTT, Member U. S. House of Representatives.]

On August 17, 1797, James Madison submitted to the convention called to frame a Federal Constitution a resolution that certain powers should be given to Congress. Among his propositions was one "to grant charters of corporations in cases where the public good may require them, and the authority of a single State may be incompetent." On the fourteenth of the next month he moved that power be given to the Federal Government "to grant charters of incorporation where the interest of the United States might require, and the legislative provisions of States may be incompetent." The motion was supported by the delegates from Pennsylvania, Virginia and North and South Carolina, and opposed by those from New Hampshire, Massachusetts, New Jersey, Maryland and Georgia, Connecticut casting one vote each way. Rufus King was afraid that the people would view the proposition as referring to the establishment of banks and the creation of monopolies. Wilson, of Pennsylvania, thought that the fears of Mr. King were groundless, and took the stand that "mercantile monopolies were already included in the power to regulate trade," a view opposed by Mason, of Virginia, who declared that he was "afraid of monopolies of every sort, which he did not think were by any means already implied by the Constitution, as supposed by Mr. Wilson."

From the debates held by the grand men of that convention, who, in most regards, "builded better than they knew," it can be seen what an imperfect idea they entertained of the possibilities of the future, Madison himself declaring that the prime object of his motion was to prevent individual States from obstructing the construction of canals necessary for inter-State commerce. Their idea of a monopoly was a government-given right to A to dig here and to B to sell there, each to the exclusion of all other diggers and sellers. There were in sight but few calls for corporate powers, and the future of trade and commerce would, they thought, be worked out by individual effort. If a delegate had read, as a possibility of the next century, the prospectus of the United States Steel Corporation he would, in all probability, have been considered a fit subject for a commission *de lunatico inquirendo.* If, however, the delegates could have foreseen that many of the States would, some day, invite the formation of corporations to control billions of capital, and to obtain, control and suppress particular branches of commerce and manufacture from the Atlantic to the Pacific, can it be doubted that the right to create artificial persons for such purposes would have been emphatically denied to the States by the delegates, each of whose immediate constituents were alert in their jealousies of the people and progress of all other States?

For nearly a century the possibilities of corporate life remained dormant. Forty years ago, when people talked about corporations, they generally had

in mind railroad or canal or steamship companies, or banks or statutory persons whose real needs of incorporation were long life and the power to act by a seal; but even in the limits of corporate action as found in the early seventies, there were discovered so many grounds of complaint that remedial steps were called for, and protests against the granting of privileges by special laws led, in one State after another, to constitutional inhibition of the formation of corporations except under general statutes. Such general legislation being thus invoked, the Legislatures enacted that "any three (or some other number) of persons" could form a corporation. At first there was a tendency to restrict each corporation to a particular branch of business, to put safeguards around the issuing of stock, the creation of funded debt, etc., etc. But these bars were soon taken down.

Evils of the Present Corporation Laws.

The necessity of lobbying charters through Legislatures being done away with, nearly every "three or more persons" have concluded that natural life is a failure if they are not incorporated, with limited personal liability, a board of directors and a corporate seal, and, perhaps above all other things, with power to issue stock—common, preferred and deferred, not to mention founders' shares.

That the desire for corporate charters could be made a source of great revenue for the State granting them was soon perceived, and competition has proceeded at a lively pace. At first stock issued for property was stamped "issued for property purchased," but laws requiring this were soon repealed. The stamp gave rise to bothersome questions. Limitations of capital were decided to be absurd, and are retained in but a few States, toward which no outsider ever wanders for a charter. Any amount not under minimums varying from $500 to $2,000, and not exceeding the limits of imagination, is now the rule. Of course the stock is never to be issued for less than its par value, but this par value may be found in cash, property purchased or services, paid for with certificates of preferred and common stock. New Jersey and Delaware—vigilant rivals in the keeping of shops where charters may be bought, altered, transferred, reduced, enlarged or consolidated at most reasonable rates—provide that the judgment of the directors shall, in the "absence of actual fraud," be conclusive. The stock may be issued for "plants" and "good will," without much danger of tracks to prove "actual fraud." Who can tell what is the true value, including "nuisance value," of a plant that is about to be consolidated with other plants for the purpose of forming a single plant to absorb all other plants? It is to be observed, however, that the possibility of a day of reckoning makes it generally considered safer to have the stock issued, in the first instance, by those who are wholly irresponsible and who do not expect to have any interest in subsequent proceedings.

"Omnibus charters" are the latest fashion. The "three or more persons" may have in immediate contemplation only the formation of a manufacturing or mining company, but who can tell when they will think it wise to branch out in other directions? Prudence insists that the power shall be obtained, no matter how limited the presently intended operations, to do any and every kind of business not prohibited by law. Under a single State charter, a corporation may engage in mining in Mexico, in manufacturing in

Maine and in wheat-raising in California, and may also obtain stockholding control of any number of other corporations. The evils of this procedure, wholly uncontrolled as it is by governmental supervision, are too many to be enumerated in a magazine article.

The amount of capital stock of "industrial corporations" now issued and outstanding may be fairly estimated at $6,000,000,000. The amount of gold and silver bullion and coin, and legal-tender and National bank notes now in the United States is about $2,700,000,000. Which is the "money of the country"? Let a hand be raised to debase the coin of the country and the good people are called upon to avert impending disaster, Wall Street swelling the volume of the call by using megaphones. Let us see. The amount of gold coin in the country is to-day less than the par value of the stock authorized to be issued by a single industrial corporation organized under the laws of New Jersey, and the amount of National bank notes now outstanding is less than the amount of depreciation, in open market value, of the stock of that corporation since the first day of January, 1903.

Is it not evident that laws authorizing and encouraging the issuing of securities that do not represent true value are a menace to national prosperity? Is it not evident that each period of prosperity will, in the absence of remedial legislation, find its grave in the cemetery provided for stock "issued for property purchased"? Of what use is a statutory direction that the directors must use "honest judgment," when we find that, on the day of issue, millions of shares of stock, issued under the authority of a sovereign State, are worth, in the cold judgment of the world, only fifty, forty or ten per cent. of their par value?

Publicity Not An Effectual Remedy.

Crash after crash has called for a remedy. One is supposed to be findable in "publicity," but I venture to say that this panacea is almost wholly without healing virtue. Of what is "publicity" to be had? Is it to be of the true value of "real and personal property"? Surely this was determined when the directors, each far removed from the taint of "actual fraud," issued the stock. Would it not be positively cruel to ask them to change their estimates? Is it of gross or net earnings, or the bills receivable, or the value of stock on hand, or is it of the amount properly chargeable to depreciation and construction accounts? Is it of the value of stocks owned in other corporations or the true value of debts due from them? Is it of anything that a few clerks—at least two of whom should be duly credited "expert accountants"—cannot present any picture desired, with the clouds of insolvency or the light of dazzling prosperity in the background?

The lawyer who cannot drive a team of elephants through any statute conceivable for the enforcement of "publicity" should devote the balance of his life to the study of ancient history.

What is needed is not a statute to expose accomplished fraud, but laws to make fraud impossible. We do not need statutes demanding confession; we do need statutes demanding, in letter and spirit, avoidance of fraud. No State will pass the necessary laws unless every other State does the same. The Legislature of New Jersey will never be moved to remedial steps by what New Jersey corporations do in Delaware, and it cannot be hoped that

Delaware will hasten to inflict punishment for what her incorporated and fee-paying children do in other States.

We started in error, and, in my judgment, must retrace our steps before an efficient remedy is found. Congress has power to "establish a uniform rule of naturalization," but mere citizens are as pigmies when sized with never-dying corporations, clothed with powers to carry on inter-State commerce.

Corporate life, when given power to move beyond the borders of a single State, should be the creation of a central power, one that can withdraw the granted existence whenever it is misused in any part of the Union—a power that can and will enforce the right and punish the wrong, whether that wrong be perpetrated in Vermont or Oregon.

To-day a corporation may, almost with impunity, become a highwayman—or, if occasion demands it, a vagrant—when operating outside of the State granting its charter. In the course of several years of litigation, it may be penalized in the Federal courts, but it cannot be electrocuted. The artificial person should have its birth in necessity. It should be the result of public demand. Its securities should be issued only for true value, and it should have its motion within lines prescribed by general laws that can be invoked in any State. It should be well-born, well-bred and, throughout its life, be well-behaved. Otherwise it will very easily become a nuisance that should be abated. The revenue-seeking State will seldom examine pedigree or conduct, and it is in the hope that a restraining and correcting, and, when necessary, an annihilating arm may be found that I introduced the following resolution to amend the Constitution of the United States:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two thirds of each House concurring therein), That the following article be proposed to the Legislatures of the several States as an amendment to the Constitution of the United States, which, when ratified by three-fourths of said Legislatures, shall be valid as part of the Constitution, namely:

"ARTICLE XVI.

SECTION 1. That no State shall create or authorize the creation or existence of any corporation or incorporated association engaged, or to engage, outside the territorial jurisdiction of such State, for profit, in trade, commerce, manufacture, or other business, except banking and insurance. Congress shall pass general laws under which such corporations may be organized to engage, for profit, in trade, commerce, manufacture, or other business in two or more States or in any State or States and any foreign country or countries, and under which all corporate powers conferred may be regulated, controlled, and forfeited. Provision shall be made by Congress for the reorganization, in accordance with such laws, of all corporations now existing under the laws of any State or States, and authorized to carry on, for profit, beyond the territorial jurisdiction of a single State, trade, commerce, manufacture, or other business, and for the continuance, for a period not exceeding one year, of all powers heretofore granted by any State or States to such corporations. Congress shall pass general laws for the government and regulation of corporations organized in any foreign country and carrying on business within the United States. Congress shall have power to enforce this article by appropriate legislation."

MOODY'S COUPON AND DIVIDEND REGISTER (NEW YORK: MOODY PUBLISHING CO.).—This publication contains an alphabetically arranged directory of the places of payment of coupons and dividends of all classes of securities, as well as addresses of transfer offices. It also gives rates of dividends, date of payments, and dates of maturity of securities. The book is divided into two parts, the first devoted to coupons and the second to dividends. Banks, trusts companies, brokers and private bankers will find this a useful and handy compilation of information of direct practical value.

BANK LOANS ON REAL ESTATE.

A bill has been introduced in Congress by Senator Nelson, of Minnesota, amending the National Banking Law so as to permit National banks to loan upon improved occupied and cultivated farm lands. The present law forbids, as is well known, the National banks from taking real estate security or holding real estate, with certain exceptions.

This bill, or at least some measure enlarging the power of the National banks relative to real estate security is said to be approved by the Comptroller of the Currency. This enlargement of the power of the banks has frequently been advocated, but the apprehension of the dangerous abuses which might arise from an unwise use of the privilege has always prevented any favorable action. The framers of the National banking laws, in placing such radical restrictions on real-estate loans, had in view the great abuses which were common under the State bank regime, before the Civil War. In the early history of banking in the United States, land was often made a basis for banking operations, and the results were extremely unsatisfactory. Capital, apart from land, was very deficient. Land was a drug. The proportion of unimproved land was immense. The prices of unimproved lands fluctuated under speculation, so that the bankers who accepted land as security might at any moment be left helpless.

While conditions in regard to real estate have altogether changed, and this form of capital in most of the States has attained to the degree of permanent value, secured by the increase of population, yet there are many localities where the old conditions still exist. There are undoubtedly vast quantities of real estate which are as secure as the basis for loans as any known form of security, and included in this are city, town, and farm property. The truth is, however, that the holders of such real estate never have any difficulty in obtaining loans upon it. In fact, there is always plenty of money seeking investment on good real estate mortgages. Trust companies, Savings banks, insurance companies, and private capitalists, as well as State and private banks, are on the lookout for such investments. Even in the case of a National bank, the owner of real estate of known value has little difficulty in obtaining a loan, although not in form directly upon his real estate. The holder of real estate of known value out of regard for his own interests does not as a rule go to a bank, and obtain money under the usual commercial conditions. He can get better terms in time and interest rates from the institutions that make a special business of such loans.

The National banks are organized to do a commercial business, and thereby encourage the trade and commerce of the country. They have probably been more efficient in this peculiar line, because they have been forbidden to tie up their funds in real-estate loans. If this prohibition be removed, it is not difficult to foresee that they may become less efficient promoters of the general prosperity of the public than they have hitherto been.

It seems apparent that the chief demand for this amendment of the

National Banking Law comes from those sections of the country where the values of real estate are liable to the greatest fluctuations. There seems to be no great demand from sections where real-estate values have attained a reasonable stability. Those who favor such an enlargement of the powers of the National banks may imagine that the value of farm lands will be enhanced by an increased facility in obtaining loans upon them. This expectation is analogous to the belief that the mere establishment of a bank tends to build up a locality irrespective of its natural resources and the enterprise of its population. Banking is a result of the previous accumulation of wealth, and facility in obtaining loans on real estate depends on the previous increase in permanent values of the real estate involved. It is a fact which it does not require any great sagacity to perceive that as fast as real estate acquires genuine market value, facilities for obtaining loans on it at once develop. Nevertheless, if Mr. Nelson's bill should become a law, although of this there is no real necessity, or perhaps probability, it is not believed that it would answer the expectations of those who look to it for relief. The National banks would not grant loans unless the security were such as would be accepted by any capitalist, and the holders of undesirable real estate would find it as difficult to raise money on it as before.

For forty years National banks have been forbidden to make real-estate loans, and this law has in reality been a protection to them. Every one knows how bitterly they were attacked through many political campaigns, because of their circulation privilege. The reason of these attacks has been because they did not issue notes to an extent that would make money cheap enough to meet the wants of paper-money fanatics. If the banks are now given the privilege of loaning on real estate, they will be liable to renewed attacks, because they will not accede to the importunities of the possessors of undesirable real estate. They cannot, as now, when called upon to loan on land which is undesirable, plead the law as an excuse. Their proper refusal would excite every land-poor man to arraign them as haughty and monopolistic.

Although National banks cannot now make real estate loans directly, yet whenever there is real estate of stable value it will be noticed that Savings and State and private banks have gone into business which with private capitalists give all the facilities for real-estate loans required. It is better to leave this business to the institutions that now conduct it and preserve the National banks as purely commercial banking institutions. To extend the privilege to National banks would no doubt more than double the work of the office of the Comptroller of the Currency in making examinations. The great majority of the National banks do not probably desire the privilege. The only way in which the views of many landowners could be met would be to make the law mandatory and compel the National banks to loan to any one who possessed real estate at its assessed value for taxation.

New Counterfeit $5 National Bank Note.—On the National City Bank of New York, series of 1882; check letter U; W. S. Rosecrans, Register of the Treasury; C. S. Jordan: Treasurer of the United States; Treasury number E514412; Bank number 29089; Charter number 1461. This counterfeit is a photograph of the original, and the only attempt to color the note is the application of green ink to the panel containing the charter number on the back of the note. The Treasury and bank numbers are brown instead of blue. The paper is of fair quality. A few pieces of coarse blue silk have been pasted on the back of the note. This counterfeit should not deceive ordinarily careful handlers of money.

TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.

Failures of Different Classes of Financial Institutions.

Statistics regarding failures of trust companies are not obtainable previous to the year 1893, that being the year in which such reports were begun by the Bradstreet Company. The evidence is, however, that the number of such failures was not large, and that the majority of them were among companies whose business was along other lines than the trust business proper.

The following table furnished to the writer through the courtesy of Frank Greene, Managing Editor of "Bradstreet's," shows the statistics of failures of trust companies and other financial institutions for the ten years 1893 to 1902, inclusive:

Financial Failures for Ten Years.

	1893.	*1894.*	*1895.*	*1896.*	*1897.*	*1898.*	*1899.*	*1900.*	*1901.*	*1902.*
National banks	154	24	21	42	21	4	7	8	5	...
State banks	181	36	57	65	24	12	5	8	13	8
Savings banks	50	8	18	20	17	5	5	2	6	3
Private banks	196	18	37	62	41	28	18	30	32	16
Loan and trust companies	14	3	2	8	2	2	2	...	...	2
Totals	598	89	135	197	105	51	37	43	56	29

Estimated Liabilities.	*National banks.*	*State banks.*	*Savings banks.*	*Private banks.*	*Loan and trust companies.*	*Totals.*
1893	$68,687,994	$38,138,323	$18,152,136	$22,929,225	$22,388,000	$170,295,678
1894	4,315.900	3,484,600	3,445,000	1,712,450	1,012,000	13,969,950
1895	3,971,462	4,922,631	11,167,887	2,537,718	165,000	22,764,638
1896	27,544,250	9,933,742	8,457,000	6,654,670	4,089,372	56,679,870
1897	7,920,999	3,060,811	5,077,222	4,085,477	550,000	20,694,509
1898	2,962,863	2,479.000	1,331,627	2,822,890	6,401,412	15,997,792
1899	12,094,572	215,000	1,322,737	4,847,261	6,025,000	24,504,570
1900	1,965,304	1,475,855	462,649	4.683,660	....	8,587,468
1901	5,684,720	1,984,053	792,725	7,161.339	....	15,622,837
1902	....	825,542	3,821,762	1,709,773	51,661	6.408,738
Indicated Total Assets.						
1893	$84,493,433	$43,168,979	$18,763,938	$23,497,164	$14,357,500	$184,281,014
1894	3,485,650	2,773,724	3,029,508	1,186,750	510,000	10,985,632
1895	3,172,894	3,891,852	10,161,649	1,510,000	155,000	18,891,395
1896	22,951,523	7,521,269	8,119,000	5,024,040	3,892,279	47,528,728
1897	6,721,000	2,401,150	3,867,098	2,369,714	375,000	15,733,962
1898	2,701,680	1,791,100	1,196,300	1,555,254	5,074,486	12,308,820
1899	9,822,222	168,000	821,832	1,893,072	4,778,000	17,542,636
1900	1,025,000	1,131,396	381,000	1,373,114	....	3,910,510
1901	4,753,105	1.812,000	596,000	3,537,880	....	10,198,985
1902	....	348,000	2,908,012	597,709	28,765	3,882,486

It will be noticed that the failures of trust companies during these years have been relatively few. The total for the ten years is thirty-five companies, whose estimated liabilities were $40,682,445, and indicated total assets $29,171,030, making an apparent net loss of $11,511,415. This is an average

of three and one half companies failed per year. Omitting 1893, the panic year, the total number of companies is twenty-one, an average of two and one-third companies per year.

The mere number of companies failed, without reference to what proportion they constituted of the whole number in existence, does not convey a correct idea of the situation. Unfortunately, however, we cannot know with exactness the number of trust companies in existence during each of these years. The best evidence the writer can gather indicates that there were not far from 350 trust companies in 1893. If this is correct, the number of failures of trust companies in that year was four per cent. of the total number. This is the same percentage as that of failed National banks in 1893, their total number being 3,781. Assuming the existence of 764 trust companies in 1902 (the number as figured from "Trust Companies of the United States"), the number of failures was about one-quarter of one per cent.

The totals from the above table, showing how the failures of trust companies compared with those of the other institutions for the ten years, are as follows:

	Total estimated liabilities.	*Indicated total assets.*	*Number of companies failed.*	*Average number of failures per year.*
National banks	$135,148,064	$139,126,507	281	$28\frac{1}{10}$
State banks	66,519,557	64,507,470	412	$41\frac{2}{10}$
Savings banks	54,030,745	49,843,837	134	$13\frac{4}{10}$
Private banks	59,144,463	42,544,697	478	$47\frac{8}{10}$
Loan and trust companies	40,682,445	29,171,030	35	$3\frac{5}{10}$

The statement on the next page gives the aggregates of the principal items in trust company reports from 1875 to 1902. This table contains data

Principal Items of Resources and Liabilities of Trust Companies, 1875–1903.

YEAR.	*Deposits and due to banks.*	*Cash and due from banks.*	*Reserve.*	*Proportion of cash to total deposits.*	*Total loans.*	*Total investments.*	*Surplus and undivided profits.*	*Average resources.*
			p. c.	p. c.				
1875	$85,147,012	$10,856,621	12.8	10.6	$65,900,174	$39,409,904	$7,550,560	$3,511,148
1876	87,969,758	8,671,619	9.9	3.4	76,608,647	35,338,884	8,823,200	3,359,110
1877	84,549,038	10,826,606	12.8	3.3	67,946,390	37,765,945	8,404,212	3,169,551
1878	73,658,004	8,399,209	11.4	3.9	59,303,327	36,741,697	8,616,954	3,166,960
1879	76,013,662	8,727,670	11.5	3.6	61,171,877	34,841,086	9,194,570	3,494,061
1880	90,158,637	7,536,459	8.4	3.7	74,675,537	37,654,325	10,245,051	4,229,889
1881	111,905,527	12,454,392	11.1	3 9	101,906,566	33,057,627	11,175,663	5,049,809
1882	144,988,775	11,492,036	7.9	2.4	132,054,203	42,813,068	14,212,161	6,093,307
1883	165,645,521	13,431,867	8.1	2.3	140,022,358	47,760,410	15,601,710	6,245,370
1884	189,507,810	21,030,441	11.1	2.4	158,018,009	51,250,942	19,810,611	6,853,477
1885	188,615,186	33,499,518	17.7	5.3	141,542,649	55,126,600	19,203,984	6,209,742
1886	214,255,658	35,804,622	16.7	9.1	156,828,458	71,802,374	24,520,701	6,626,538
1887	245,797,608	35,617,727	14.5	6.8	196,096,830	72,927,742	27,193,319	5,502,166
1888	259,925,079	39,580,220	15.2	7.6	250,700,648	72,578,913	35,951,687	3,197,112
1889	302,626,471	50,320,566	16.6	8.3	291,450,367	76,725,017	38,783,114	3,677,237
1890	339,319,740	53,168,165	15.7	5.9	327,882,540	95,707,496	46,828,003	3,381,217
1891	357,540,852	56,430,480	15.8	4.6	356,876,320	93,973,321	55,503,845	3,138,177
1892	415,431,461	77,575,370	18.7	5.4	385,273,548	106,206,778	61,768,148	3,572,886
1893	488,934,555	75,568,610	15.4	4.5	462,729,597	128,824,901	70,771,477	3,187,125
1894	478,055,823	125,010,2[illegible]2	26.1	7.2	374,421,713	142,224,151	75,303,366	3,148,156
1895	553,756,721	128,482,531	23.2	6.5	433,386,461	177,086,555	84,801,698	3,334,971
1896	592,617,492	108,314,257	18.3	4.9	462,000,949	201,164,551	84,313,612	3,289,547
1897	576,598,940	118,139,249	20.5	5.1	445,629,725	201,128,020	89,025,267	3,361,409
1898	665,488,712	118,317,178	17.8	3.4	539,162,445	193,977,752	97,643,666	3,831,147
1899	837,510,725	154,868,308	18.5	2.9	599,031,033	266,086,873	105,616,167	4,121,254
1900	1,031,735,272	219,448,611	21.3	2.9	727,952,137	325,841,086	148,389,339	4,586,760
1901	1,278,849,880	217,207,097	17.0	2.0	939,768,891	396,222,854	168,284,468	4,835,274
1902	1,537,476,616	264,819,327	17.2	2.2	1,192,488,311	447,580,690	225,524,514	4,755,911
1903	1,711,485,439	304,409,977	17.7	3.0	1,303,237,200	579,459,699	314,496,334	4,228,727

YEAR.	No. of companies reporting	RESOURCES. Loans and discounts	Loans on personal and collateral security.	Other loans and discounts	State, county and municipal bonds	Railroad bonds and stocks.	Bank stocks.	Other bonds and stocks.	United States bonds.	Real estate, furniture and fixtures.	Other assets.	Due from banks and bankers.	Cash and cash items.	Total resources.	LIABILITIES. Capital.	Surplus.	Undivided profits.	Deposits.	Due to banks.
1875	35	65900174						37323062	2086642	3733357	2580342	1837605	9019316	122540195	2155402[illegible]	[illegible]	582869	55025371	1219[illegible]
1876	38	76606607	During these years al Loans and Discounts were given under the one heading; and all Bonds and Stocks other than U. S. Bonds were given under one heading.					18847238	16491646	4733647	2090268	5692657	2141942	129646179	[illegible]	[illegible]	534978	87817772	1519[illegible]
1877	39	67946390						17460260	19805603	3544221	3410232	8025415	2798141	123612449	[illegible]	1164673	1239539	84215844	3331[illegible]
1878	35	59303327						17246237	19445400	3700775	2412519	5536854	2562355	110843603	22056611	7925303	611651	72136578	5214[illegible]
1879	32	61171877						16842230	17948856	4044265	2874644	6011037	2716631	111507936	21101896	4714316	1460264	75673219	1401[illegible]
1880	30	74675527						18544675	19109650	5261159	1572241	4159410	3376544	126869693	18501470	6191955	405316	90005048	1506[illegible]
1881	31	101906566						17426004	15631573	7482534	1399445	8005501	[illegible]	[illegible]	[illegible]	6851401	4243854	111670329	2351[illegible]
1882	32	132054203						25678256	16934812	6877743	1378627	8054535	3437501	[illegible]	[illegible]	8356062	5555457	144841596	1471[illegible]
1883	34	140022358						30322420	17437910	6567756	4246338	9561148	3570774	[illegible]	[illegible]	8412725	6758987	165378615	2671[illegible]
1884	35	158018009						27679558	23371064	6152771	2841937	16517457	4512444	[illegible]	[illegible]	10191444	4619067	188745922	7611[illegible]
1885	40	141542649						29750200	25376400	5759291	9023684	23458965	10040533	[illegible]	26428600	10645744	5508000	188417233	1978[illegible]
1886	42	156828458						43516716	27965660	9774570	3439644	16160112	19644510	278314511	[illegible]	2167152	2449649	214063410	1922[illegible]
		Loans on Real Estate						Other stocks, bonds & mortgages											
1887	58	16269993	36544018	143252814	178148	7400348	132651	36428678	28787717	11087292	2149767	18775603	16122224	[illegible]	[illegible]	15541783	11351526	240190711	5606[illegible]
1888	120	46606390	175033813	27060365	2006474	15702430	660444	31309770	22599764	13951791	6212421	13961722	17985298	[illegible]	[illegible]	24105311	11846316	207678114	2046[illegible]
1889	120	53349042	193610074	44411268	3765747	19352348	737312	25676359	27143201	14455406	7745852	25584040	20256524	441268413	[illegible]	[illegible]	13199204	299612849	3013[illegible]
1890	149	56669834	209617297	61695409	2993364	26102410	1220642	40459876	24921203	16845449	953736	33309028	19861197	[illegible]	[illegible]	34514765	12232262	336456492	2863[illegible]
1891	171	65072641	225012138	66791501	3826397	29771125	1159778	43157088	16057015	17357290	11141299	39941203	16412207	[illegible]	79232449	35412197	17071649	355330080	2210[illegible]
1892	168	55098422	256413894	73760832	6404311	27617700	1608344	52516448	18059578	22617764	7767180	54975320	22600048	[illegible]	80640972	45624747	15943408	411659990	2771[illegible]
1893	221	81268173	307170395	74270229	5842753	11639330	668470	92187712	18486636	26245518	3221736	53252071	22216539	[illegible]	94564264	50403421	20263056	456244079	2690[illegible]
1894	224	58149211	233662562	82609940	5728331	11166307	678972	111201130	13449441	26654775	[illegible]	90632502	34377700	[illegible]	77068012	57662579	17639767	471296616	6757
1895	242	50294477	221022813	162069171	3769198	5549131	493392	127369541	37607593	28871535	3891460	92620860	33861666	[illegible]	[illegible]	64179611	20622057	546652657	7104
1896	260	70612944	249874349	[illegible]	5243292	12464537	707119	145348966	37400637	33163488	50100064	79356349	28757813	[illegible]	111146973	62444553	21869907	566465103	6149
1897	251	63643137	236044125	145942463	7677933	8706430	608219	145037677	39097761	32572077	40876217	88606800	29532447	[illegible]	[illegible]	63825467	20199300	566922205	9676
1898	246	92175473	303790563	143196407	6449871	14626144	569193	137546059	34186440	37228470	33621730	95777914	22539154	942462179	[illegible]	70655694	26484962	662135397	3350[illegible]
1899	260	43640072	303173566	252217393	6484823	12450197	1198444	216352619	24595770	37880328	[illegible]	130072594	24795714	1071325914	114305712	77907144	25905973	835499064	2011
1900	290	49965147	402763092	275223848	7394472	10439090	205763	305933306	1863280	39720024	17020682	148962562	30696055	[illegible]	126700847	112650803	35738856	1028232407	3502
1901	334	59579122	607868759	272321010	10425652	21980365	323661	358478135	2099021	43145812	18419464	191527201	25679846	[illegible]	127361344	114609166	43675242	1271081174	7768
1902	417	87252612	643371745	411863374	12574257	17975068	258340	412833713	1594249	50265813	27816818	231435183	33381134	[illegible]	[illegible]	149902172	75612342	1625857443	115591

from which a careful study may be made of various items of management as developed during the last quarter century. In the table on page 334 will be found figures dealing with a few of the important subjects.

Reserves of Trust Companies.

Of especial interest in view of the recent agitation of the question in New York and elsewhere is the subject of trust company reserves. The third column of the table gives the reserves carried by the companies each year, the figures representing the proportions of the amounts in the second column to those of the same years in the first column. From 1875 to 1884 inclusive the per cent. of reserve never exceeded 12.8, the lowest reserve reported being in 1882, when it was only 7.9 per cent. After 1884 the reserve reported was materially higher, never going lower than 14.5 per cent. (the figure for 1887), and reaching its maximum with 26.1 per cent. in 1894. The average reserve for the twenty-nine years was about fifteen and a half per cent. This is half of one per cent. greater than is required of National banks outside of the reserve cities, the percentage stipulated for them by the National Bank Act being fifteen. *

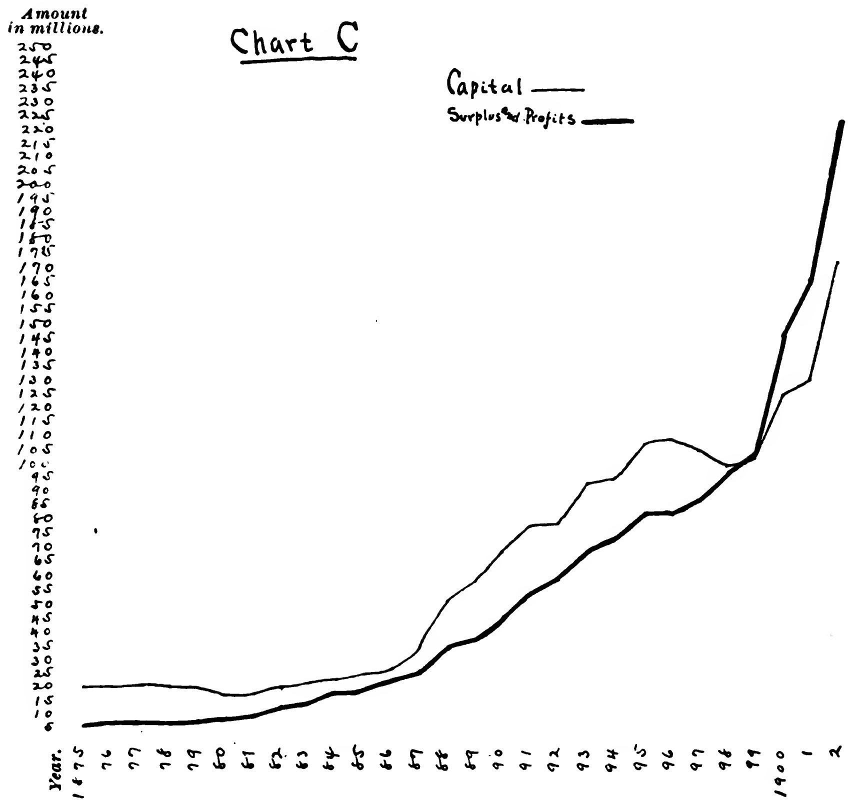
The criticisms against the trust companies as to reserve have, however, been directed more especially towards the amount of actual cash carried in the vaults of the companies. In column 4 of the table are given the percentages of such cash reserves for the several years, (including as cash the amount reported for cash items) the figures representing the proportion of cash and cash items to total deposits. For the twenty-nine years the average of such cash reserve has been a little over 4.7 per cent. It was highest in 1875, with 10.6 per cent., 1886 being next, with 9.1 per cent. The lowest percentage was in 1901—2 per cent. From 1876 to 1884 inclusive, it ranged from 2.3 per cent. to 3.9 per cent. From 1885 to 1897 it was somewhat higher, averaging about 6.2 per cent. Since 1897, it has averaged 2.7 per cent.

Increase in Surplus and Undivided Profits.

A noticeable thing has been the tendency to increase in the surplus and undivided profits as compared with the capital. This has been due in part to the accumulation of earnings, and in part to the tendency in organizing new companies to have a large surplus paid in at the start. Most of the States that have any legislation on the subject require the accumulation of a surplus fund until it reaches a certain percentage of the capital stock; but the accumulation has gone far ahead of any legal requirements. Chart C shows the relative growth of these two items, the light line representing the capital, and the heavy line the sum of surplus and undivided profits. During 1899 the latter became greater than the capital, and has increased in greater ratio since then.

The average resources of the companies appear to have been greatest during the years 1881 to 1887. The writer has been unable to find any special reason for this. It might have been due to reports being received mainly from the larger institutions. During the greater part of the time the resources have averaged from three to three and a half millions. Since 1899 there has been an increase, the averages exceeding four millions.

* National Bank Act, Chapter 5, § 94. (Section 5191, Revised Statutes.)



STATISTICS OF TRUST COMPANIES IN THE VARIOUS STATES.

The following table gives the numbers of trust companies in the different States and Territories about August, 1903, the figures having been compiled from "Trust Companies of the United States," whose statistics are the most complete of any published, so far as the writer knows. The list probably contains all companies in existence at the date mentioned, with the exception of those organized too late in the year 1903 to be included. The reader is reminded, however, that there are included all institutions bearing the name of trust companies, and that many of them do a State banking business only, performing no trust functions.

Alabama	10	Louisiana	5	Ohio	36
Arizona	4	Maine	20	Oklahoma	3
Arkansas	12	Maryland	16	Oregon	8
California	16	Massachusetts	85	Pennsylvania	210
Colorado	10	Michigan	5	Rhode Island	9
Connecticut	15	Minnesota	6	South Carolina	10
Delaware	8	Mississippi	6	South Dakota	3
District of Columbia	4	Missouri	23	Tennessee	30
Florida	8	Montana	3	Texas	19
Georgia	16	Nebraska	6	Utah	2
Idaho	2	Nevada	1	Vermont	19
Illinois	37	New Hampshire	6	Virginia	18
Indiana	47	New Jersey	56	Washington	9
Indian Ter	10	New Mexico	2	West Virginia	19
Iowa	22	New York	78	Wisconsin	4
Kansas	5	North Carolina	13		
Kentucky	19	North Dakota	2	Total	912

It will be seen that in the number of trust companies Pennsylvania is far in the lead; and as a matter of fact, that State developed the trust company movement earlier and more generally than any other. In the total resources of her companies, however, New York, which is second in the number of companies, is far ahead of Pennsylvania. Of the seventy-eight companies in New York, seventy-five report resources of $1,141,170,925—an average of $15,215,612 per company. Of the 210 Pennsylvania companies, 202 report resources of $534,384,589—an average of $2,645,470 per company.

The big average for New York is of course due to the great companies of New York city, the largest of which (the United States Trust Co.*) has resources of seventy-seven millions.

Of the 912 companies in the country, 854 report total resources of $2,938,-047,346—an average of $3,440,336 per company. That is to say, the trust companies of the United States now have total resources of approximately three billions of dollars.

We have seen that the trust company first came into existence in the United States in 1822, with a single company, which had no competitors for eight years, and only three after fourteen years. These early companies combined the trust business with the insurance business. It was many years later before the formation of trust companies as institutions apart from insurance companies began. After the Civil War a number of companies were organized, and the total number in 1875 was not far from fifty. During the later eighties a very distinct movement for the formation of trust companies began, which was lessened in degree during the early nineties, began again with phenomenal energy about 1897, and has continued in an increasing degree since that year.

During its career the trust company has undergone a radical evolution in the character of its business. To its original functions of trustee, agent, guardian, etc., have been added not only more extensive trust functions, such as executor, administrator, fiscal agent, etc., but other duties not contemplated by its originators. Most prominent among these has been the business of banking, which trust companies in many States now undertake to the same extent as do the State banks and Savings banks. The growth of corporate undertakings has brought to the trust company many added duties as representatives of such corporations in various capacities. Since the Civil War many companies have added safe-deposit departments. In some States other lines of work have been added, including fidelity and title insurance.

The conspicuous thing about the development of the trust company is that it has been able, largely through lack of legislative restrictions and because of the general breadth of its powers, to adapt itself to the particular needs of the time and community. When a new field has opened, it has been ready and able to step into that field.

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* Besides being the largest trust company in the United States, this company has the distinction of being the first one organized in this country to transact exclusively the business of a trust company. "Its charter was the basis of all special charters of a similar nature afterward granted in New York, as well as of the general law for the incorporation of trust companies, which was adopted in 1887." Since its organization on April 12, 1853, it has paid in interest on funds entrusted to it over thirty million dollars. Its statement for June 30, 1903, shows a capital of $2,000,000; surplus and profits $12,055,208; deposits in trust (it has no "general deposits") $61,790,505; total resources, $76,917,654.

Causes of the Growth of Trust Companies.

Regarding the causes of the growth of trust companies, the easiest thing to say is also probably the truest—that they are found in the tendencies of our age and nation. The trust company marks not a revolution, but an evolution in our methods of handling financial matters, and we cannot understand its development without taking into account the great changes which our civilization is undergoing. There is, to begin with, the accumulation of individual wealth—the increase in the number of persons and families having large interests to care for. This is not peculiar to the United States, but the general conditions which the holder of wealth has to meet here are quite different from those of the older countries of Europe, and make it of advantage to find other means than those used in Europe for the care and investment of great estates. A still more important influence has been the tremendous increase in corporate wealth, both in number of corporations and in the amounts under their control. Here are phenomena that are peculiar to the United States, and peculiar to this age. Nothing like the huge corporations formed in recent years in the United States has ever been known before since history began. To care for these institutions some special agency was needed. The trust company proved equal to the emergency. Says one writer: "Without their (the trust companies') agency some of the transactions in modern corporate business would be both cumbersome and difficult. For the success of schemes of reorganization of railroad interests and the financing of vast industrial consolidations, their intervention has grown to be at least an invaluable convenience, if not altogether a necessity." *

Associated with this tendency to great consolidations—whether as result or as cause will not be discussed here—is the growing recognition among all classes of people of the value of associated effort. Here again the trust company finds itself in harmony with the times. It is an intermediary between great enterprises and the group of individuals who constitute its customers. It takes the amounts, large or small, contributed by the latter, in trust; and the result is a large amount which it can invest in any corporate undertaking to the mutual advantage of all concerned. The political economist will not fail to see here an important service to the community. Surplus funds, useless in small amounts, are gathered together and made to do service in enterprises that benefit the whole people. At the same time, the profits go to those who furnish the capital. The trust company is emphatically an institution of the people. As one writer has pointed out, it enables us to reap most of the advantages claimed for community of ownership, without the dangers that would come with the systems proposed by dogmatists. †

Advantages of the Trust Company Form of Organization.

Turning to the specific causes of growth of trust companies as compared with other financial institutions, various writers have pointed out the advantages which the trust company has over its competitors.‡ As compared with National banks, and with some State banks, it usually escapes with less tax-

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* Bankers' Magazine, Vol. LX, p. 272.

† Article on "The Trust Company," by Charles W. Stevenson, in "The Bankers' Monthly," Sept., 1903, p. 191. Articles by the same writer in "The Bankers' Monthly" for July, August and October, 1903, treat this phase of the subject at some length.

‡ See Bankers' Magazine, Vol. XLIII, p. 722, and Vol. LVIII, p. 505.

ation. It attracts deposits by paying interest on them. A third cause, and in the writer's opinion by far the most important one in most communities, lies in the wide range of powers which the trust company may exercise. In most States it may do all of the things that an ordinary bank may do, except issue notes; and it performs numerous duties that other banks may not undertake. These wide powers attract customers. It is a distinct convenience to most people to have all of their financial business attended to under one roof. The trust company will not only care for their banking business, but will also receive their valuables for safe-keeping, care for their property, manage their estates temporarily or permanently, make investments for them, give financial and legal advice, aid in the preparation of wills and execute the same after the decease of the customer. CLAY HERRICK.

(To be continued.)

THE DESIGNS ON THE COINS.—The discussion in Congress over the various designs to be placed on our coins furnished a very amusing incident.

It was proposed to have on the reverse of the silver dollar an American eagle, when Hon. Matthew Lyon bitterly opposed having an eagle, saying that it was a monarchical bird.

The king of birds, he said, was not an appropriate representation of a country whose institutions were founded in hostility to kings.

The Hon. Judge Thatcher, replying, proposed a goose instead, which he said was a most humble and republican bird, and would in other respects prove advantageous, inasmuch as the goslins would be convenient to be placed on the dimes.

It is said that the laughter that followed at Hon. Matthew Lyon's expense was more than he could endure; so taking this good-humored irony for a personal insult, he sent the honorable judge a challenge for a duel, which he refused to accept.

"What!" said the bearer of the challenge, "will you be branded as a coward?" "Yes, sir, if he pleases. I always was a coward and he knew it, or he never would have challenged me."

On Tuesday, September 11, 1792, six pounds of old copper was the first purchase made for the United States mint, for which was paid one shilling three pence per pound.—*Prof. B. N. Rooks in "Bulletin of American Institute of Bank Clerks."*

NEW COUNTERFEIT $10 NATIONAL BANK NOTE.—On the Third National Bank, of Rockford, Ill. Check letter B; series 1902; J. W. Lyons, Register of the Treasury; Ellis H. Roberts, Treasurer of the United States; portrait of McKinley.

This is a photographic production on two pieces of soft paper, between which silk threads have been distributed. Treasury and bank numbers are printed in red, instead of blue as on the genuine. The charter number (479) and geographical letter (M), which appear in two places on the face of the note, are dark brown on the counterfeit, instead of red. The back of the note is brown, badly faded, instead of green.

MINOR PROFITS IN CANADIAN BANKING.

Many years ago a Canadian branch bank in Kingston would compel its borrower to draw his note payable at Brockville or Ottawa, even though all the parties to the note resided in Kingston, though the funds were to be used in Kingston and repayment made there. The object was, of course, to mulct the customer in exchange. On notes and bills payable at other points the Canadian law allowed a branch bank to charge exchange ranging from one-eighth per cent. on a thirty-day bill up to one-half per cent. on a four-month bill. In a transaction of this kind exchange profits were handsome; besides the charge made at the time of discounting there would be another when the bill became due, for the borrower would be obliged, forsooth, to buy Brockville or Ottawa exchange to retire his note.

Under such circumstances it is not to be wondered at that exchange and commissions should pay salaries and all office expenses at some country branches. For the fact that such a state of affairs does not rule in Canada to-day the people have to thank, not the laws, but banking competition. But, notwithstanding the increase in Canadian bank capital and in the number of branch banks, notwithstanding the growth of banking competition in the Dominion and the superior facilities of the branch system for collecting and transferring money, Canadian bankers have never been able to bring themselves to regard the minor banking profits, exchange commissions, etc., so cheaply as these are held by their brethren in the United States.

In the hope that this subject will have interest for American bankers, a short description will be given of Canadian methods, and an explanation of the position of the leading Canadian banks on the question.

I purpose to give, first, an outline of the Canadian system of collecting and clearing checks and bills, the expenses in connection, and the charges placed on bank customers; after that the banking theory as to the expediency and justice of these charges will be expounded, with a few remarks in conclusion as to how the matter is regarded by bank customers.

How Collections are Handled Under the Branch System.

At the country branch of a bank possessing seventy or eighty branches the day's procedure in collection business will be something like this: First thing in the morning there is the incoming mail, which contains checks drawn on the branch itself and on other banks in town, drafts at sight or on time on local merchants, credit advices and remittances in payment for its its own collections sent away previously by the branch to other branches or to other banks. The most of these collections and payments will come from other branches and will therefore be par business. When collections are made for another branch, that branch is credited with the amount and there the matter ends; when they are made for another bank, drafts on Montreal, Toronto or Winnipeg are remitted, after deducting the commission charged. This will range from one-tenth per cent. to one-quarter per cent. with a minimum of ten cents for each bill.

Then there are checks and collections received from customers at the counter. These will consist mainly of items payable at home. Local checks are at par, of course; local bills also, if discounted. Local bills left for collection and not discounted are subject to a charge varying according to the relations existing between the customer and the branch; if his account is not otherwise profitable he would likely have to pay one-quarter per cent. with a minimum of twenty-five cents on each bill for using the bank's machinery to collect his accounts; if his business yielded profit in other ways these rates would be reduced materially.

In addition to these local items there will be deposited every day a certain number of checks and bills payable at other Canadian towns and cities, and perhaps some few bills on the United States or on London; if the town contained manufacturing establishments there would be a goodly number of manufacturers' bills offered for discount or for collection. On checks and sight drafts remitted the charge is regulated according to the time that will elapse before the bank is reimbursed; the instructions issued by the head office to the branches are: in all these cases to see that the bank gets due and proper interest for the use of its capital whether employed in the discount of bills or in the purchase of remitted checks. Therefore on a check drawn on a far-away point the charge will be heavier than on a check on a neighboring town; and on sight drafts heavier than on checks.

When time-bills payable elsewhere are offered for discount, it is customary to charge the regular rate of interest for the currency of the bill and a commission of one-eighth to three-eighths per cent. according to what itcosts the branch to collect, the idea being to have one-eighth per cent. clear profit for collecting and transferring the funds. The rates for exchange on New York and London are advised daily to the branches from head office.

All items drawn on points where the bank has branches are sent direct, the amounts charged to the respective branches and the transactions closed. As every large bank has branches in nearly all the important cities and towns, the great majority of the collections are thus summarily disposed of. Whenever it can be safely done items on other points are sent to the settling centers where they can be cleared by allowing a commission. This places them on the same footing as the instruments drawn on branch-points. But it frequently happens that among these latter are bills in the case of which it is desirable to use diligence in presentment; then the circuitous route is avoided and the bills are sent direct, being charged to a "bills remitted" account until returns are received.

Canadian Banks Not Compelled to Carry Heavy Reserves.

The Canadian branch bank is not compelled to carry heavy reserves of cash, because it can carry ten, twenty or fifty thousand dollars in the bank's own notes which represent no cash at all until they are paid out; it need not carry a balance in New York; in fact, this is usually forbidden, because the New York account proper is run at the head office and funds are taken over from or supplied to the branches as is required by their business; the balance due by or to other branches does not have to be settled and will remain on the one side or the other according as deposits or discounts are the greater. Therefore, the state in which the New York or branch accounts happen to be exercises no influence when it comes to a point of rates for selling drafts to

customers. The matter resolves itself purely into a request by the customer to transfer so much to Montreal, Toronto or Winnipeg. The bank is in position to do this by a system of entries and the customer is charged rates established by competition, and which remain unchanged from January 1 to December 31. (At the settling centers of course exchange on other Canadian centers is influenced by movements of reserves, but fluctuations are confined to dealings with other banks and they do not affect materially the rates quoted to customers.)

At Montreal, Toronto and the other centers the collection business is on a much larger scale; a big wholesale or manufacturing account deposits fifty or a hundred or more bills in a day, drawn on points scattered all over the Dominion. With a large, well-placed system of branches a bank can collect the great majority of these at par, and can clear the greater part of the residue through the daily exchanges at the clearing-house. Items so cleared rarely pass through the hands of more than two banks and nearly always complete their journey when they have passed through three separate banking offices. The charges for commission are if anything slightly higher in the centers than in the country; it is a singular fact that the accounts of directors which are usually valuable, often pay stiffer rates of exchange than indifferent or worthless accounts at a country branch. Bankers in the cities are older and more experienced, they have a keener sense of the value of the services they perform for their customers; and in the country it very often happens that a town has more branch banks than it can properly support; for what little business there is the country managers compete too eagerly and offer ridiculous concessions.

ABANDONMENT OF RECIPROCAL PAR COLLECTIONS.

A little while ago a few of the large Canadian banks tried a scheme of reciprocal par collections, but abandoned it lately because it was found that the branch managers were inclined to give the benefit away to their customers. Able to collect at par on so many points, they reduced rates accordingly and the banks were doing for nothing a good deal of work for which they formerly got pay.

Of course it should be understood that the rates quoted above are not uniform by any means. Stress of competition has reduced them in many places.

IMPORTANCE OF PROFITS ON EXCHANGE.

The Canadian bankers regard their profits from exchange, etc., as of very great importance. They keep always before their eyes the fact that a bank is a corporation formed by subscriptions of private capital with the end of making profits; they can see no good reason why merchants and others should expect to have their accounts in distant cities collected, their payments made, money transferred from one part of the country to another, unless they pay for it; they believe that every account and every transaction should be judged on their merits and if there is no profit to be found they cannot understand why the bank should undertake them; they regard the men of their profession who habitually do work and perform services for their customers for nothing in exactly the same way as a conservative merchant regards competitors who habitually sell goods for less than cost. The bankers know

perfectly well that in this continent too much work is thrown upon the interest rate; that it is made to bear the cost of services which should carry themselves. In Europe this is not so; if a man opens an account with a bank there it must be profitable to the bank; if he wants services performed he pays for them, and the consequence is that every department of banking bears its proper share; discount is lower; the man who borrows a straight amount does not pay in his rate for the man who passes through his account a hundred checks a day.

It is true the Canadian bankers have not a troublesome currency question to vex them, but even if they had it is not likely that they would consider for a moment the question of abolishing the charges on remitted checks merely to expand the check circulation; they do not value greatly balances against which there are outstanding all the time checks to the full amount.

During all the competitive race for business that has characterized the last few years there were to be found in the Dominion as in the United States a number of banks that refused to do business for nothing; they held stubbornly to their terms as to security and to their rates and profits, and saw business leave them on that account. Long experience taught them that the race could not last forever. Since the unwonted stringency appeared in the American and Canadian money markets these conservative bankers have been in an advantageous position. Their more progressive competitors, having all the accounts they wished to carry, had little inclination to bid for new business that turned up.

At present the indications seem to point to the conclusion that on both sides of the border the old-fashioned bankers will have more power in the money markets; and in Canada at least it is likely that rates of discount and exchange will be stiffly maintained.

So far as the public is concerned it wants to get from the banks all they will give; it therefore takes full advantage of competitive struggles whenever they occur. The attitude of the public depends a good deal on the way it has been educated; in one town it might be accustomed to pay for what services it received from the banks while in the very next town it might have been under the rule of lax bank managers who gave away everything at par. When rigid rules are applied to a place of this latter discription there rises a great roar of complaints, but it usually dies away if care is taken to explain the position of the banks and the reason for their change of front. Bank customers are made up of merchants, manufacturers, lawyers, etc., who would not themselves give their wares or their services for nothing, and they can easily see, if it is explained to them rightly, that bankers are under no obligation to do business at no profit. Of course if they can get things done at par at one bank while another strictly maintains its rates, they will rush to the cheap place perhaps till it is found out that the cheap bank has undermined its own position and lost its strength through doing too much of that kind of business. H. M. P. ECKARDT.

OTTO T. BANNARD

President New York Security and Trust Co.

TRUST COMPANIES UNITE.

On February 19 the trustees of the New York Security and Trust Company and the Continental Trust Company reached an agreement to consolidate the two institutions. The new corporation will be known as the New York Security and Trust Company, and will carry on business in the offices in the Blair Building now occupied by the Continental Trust Company. Otto T. Bannard, President of the Continental Trust Company, succeeds Charles S. Fairchild, as President of the New York Security and Trust Company, Mr. Fairchild continuing, however, to be a trustee, and chairman of the board of trustees.

The capital stock of the New York Security and Trust Company is to be $3,000,000, with a surplus of $9,000,000. The deposits will be over $45,000,000.

The New York Security and Trust Company was organized in 1889, and has been one of the most successful trust companies in the United States under President Fairchild's administration. Its stock is now quoted at $900.

The Continental was organized in 1890 and since Mr. Bannard was made President in 1893 its stock has advanced to $700. His management of the company has been characterized throughout by rare discrimination and sound financial discernment. It is recognized by the strong interests represented in the consolidated companies that Mr. Bannard will bring to the discharge of his duties as President a ripe knowledge of trust company administration.

The new company will have the strongest financial backing in New York city, as in its board of directors will be found representatives of the New York Life Insurance Co., Blair & Co., J. P. Morgan & Co., the National City Bank, the John D. Rockefeller interest, the Chicago interest, including Marshall Field, John J. Mitchell and Armour & Co., to which should be added such names as Norman B. Ream, James J. Hill and John S. Phipps. The new board of trustees is yet to be selected, but will be made up of the following persons who are now trustees of the two trust companies: Charles S. Fairchild, James J. Hill, Stuart G. Nelson, James Stillman, M. C. D. Borden, John G. McCullough, B. Aymar Sands, John W. Sterling, John A. McCall, James A. Blair, Frank W. Stearns, Edmund D. Randolph, Geo. W. Perkins, Norman B. Ream. John S. Phipps, Frank Tilford, Woodbury Langdon, E. Parmalee Prentice, Otto T. Bannard, S. Reading Bertron, Robert W. DeForest, Jno. B. Dennis, Marshall Field, Chas. W. Harkness, F. N. Hoffstot, Wm. Jay, Frederick B. Jennings, Walter Jennings, Gordon MacDonald, John J. Mitchell, A. Lanfear Norris, Robert Olyphant, Charles Parsons, Myles Tierney and P. A. Valentine.

This consolidation brings under one control two of the city's large and successful trust companies, and will make possible greater economy of administration, and by reason of the increased capital and resources and the well-known capacity of the management, afford the highest attainable degree of safety and financial skill in caring for deposits, investments and trust funds.

The union of two such strong companies as these, either of which might profitably have continued business without losing its identity, is an example worthy of imitation by some of the smaller companies. A short time ago there was a tendency to overdo the organization of trust companies; and while this tendency has been checked, there are perhaps more companies now in the field than the business to be transacted requires. Trust companies and Savings banks are two classes of financial institutions that should be made as nearly impregnable as possible. Both the New York Security and Trust Company and the Continental Trust Company were perfectly sound and prosperous companies. That they have seen fit to merge their interests is a move in the direction of financial conservatism that may well attract the attention of other companies.

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

PROMISSORY NOTE—PROVISIONS DESTROYING NEGOTIABILITY.

Supreme Court of South Dakota, December 29, 1903.

DAVIS vs. BRADY.

An instrument is not negotiable which contains the following provision: "With interest from date until fully paid at the rate of ten per centum per annum, payable annually on principal and all overdue unpaid interest. If the said interest is not paid when due, it becomes part of the principal and draws interest at twelve per cent. per annum until paid."

FULLER, *J.:* The statute of limitations was the only defense offered to this action, commenced on November 4, 1901, and predicated upon the following instrument in writing:

"$400. LANGFORD, S. D., June 15, 1893.

November 1, 1895, after date, for value received, I promise to pay to the order of E. W. Davis, four hundred dollars, at Langford, So. Dak., with interest from date until fully paid at the rate of ten per cent. per annum, payable annually on principal and all overdue unpaid interest. If the said interest is not paid when due, it becomes part of the principal and draws interest at twelve per cent. per annum until paid.

The drawers and endorsers severally waive presentment of payment, protest and notice of protest and non-payment of this note, and I against the maker, and it is further stipulated and agreed that if suit is commenced on this note, or if the same is collected by an attorney, I will pay ten per cent. attorney's fees upon the whole amount of principal and interest sued for and collected.

JAMES G. BRADY,
EMMA A. BRADY."

There was judgment for plaintiff, and the defendant appeals.

Unless the foregoing instrument is entitled to the usual days of grace, the action was not commenced within the six-year limitation, and the judgment appealed from must be reversed. Excluding Sundays and holidays from the computation, three days of grace are allowed by section 2236 of the Revised Civil Code for the payment of all promissory notes, and the exact question to be determined is whether this instrument is within the following statutory definition: "A promissory note is an instrument, negotiable in form, whereby the signer promises to pay a specified sum of money." (Rev. Civ. Code, § 2274.)

From date until paid this note and overdue interest will either draw interest at the rate of ten per cent. per annum, payable annually, or such unpaid interest will become a part of the principal, and draw interest at twelve per cent. per annum. It cannot be determined with any degree of accuracy whether overdue interest draws ten per cent. per annum, payable annually,

or twelve per cent. per year until paid. It is also a doubtful question whether the amount for which the note was given and the unpaid interest draw interest annually at ten per cent. per annum, or whether the principal, augmented by the first and all subsequent instalments of overdue and unpaid interest, draws interest at twelve per cent. until the entire amount is paid.

According to the decisions of this court, such uncertainty destroys the negotiability of the instrument. (Hegeler vs. Comstock, 1 S. D. 138; Merrill vs. Hurley, 6 S. D. 592; National Bank of Commerce vs. Feeney, 12 S. D. 156.)

As days of grace apply only to instruments negotiable in form, this action, when commenced, was barred by the statute of limitations.

The judgment appealed from is reversed, with the direction that the complaint be dismissed.

RECEIVER FOR NATIONAL BANK—SECURITY FOR COSTS.

United States Circuit Court, District of Connecticut.

PEIPPER vs. FIDELITY AND CASUALTY CO.

The United States statute which dispenses with a bond for costs on appeals and writs of error taken by the United States or by direction of any department, applies to the Receiver of a National bank.

This was a demurrer upon a plea in abatement, which asked for a dismissal of the suit upon the ground that it had been filed by a non-resident without giving bonds for cost.

PLATT, *D. J.* (omitting part of the opinion): The other plea also lacks merit. It is based upon a Connecticut statute which provides that, if the plaintiff in any civil action is not an inhabitant of the State, a substantial inhabitant thereof shall, before process is signed, either as surety or individually, give a bond to the adverse party that the plaintiff will make his plea good. (Gen. St. 1902, sec. 714.) The highest court of the State has decided that a writ cannot be made good by a bond given in court. (Morse vs. Rankin, 51 Conn. 326.) In ordinary cases the rule would be followed in this court, but in the case at bar it is necessary to obey the provisions of Rev. St. U. S. sec. 1001 (U. S. Comp. St. 1901, p. 713) :

"Whenever a writ of error, appeal, or other process in law, admiralty, or equity, issues from or is brought up to the Supreme Court, or a Circuit Court, either by the United States or by direction of any department of the Government, no bond, obligation, or security shall be required from the United States, or from any party acting under the direction aforesaid, either to prosecute said suit, or to answer in damages or costs. In case of an adverse decision, such costs as by law are taxable against the United States, or against the party acting by direction as aforesaid, shall be paid out of the contingent fund of the department under whose directions the proceedings were instituted."

The defendant argues that the plaintiff does not come within the statute. The case of Platt, Rec. F. and C. Nat. Bank vs. Beach, 2 Ben. 303, Fed. Cas. No. 11,215, seems to settle that contention. Judge Benedict's decision therein was confirmed by Judge Blatchford in Stanton, Rec'r First Nat. Bank of Washington, D. C. vs. Wilkeson, 8 Ben. 357, Fed. Cas. No. 13,299. Both cases, decided as they were by such eminent jurists, will repay the earnest student for a careful examination, and, when surveyed from every viewpoint,

will afford the critic a light which I trust will illumine upon the entire contention before me, and furnish another reason for my reluctance to incumber records.

The demurrers are sustained. The pleas in abatement are overruled at the cost of the defendant.

TAXATION OF NATIONAL BANK STOCK—VALUATION OF SHARES.

Supreme Court of Oregon, December 7, 1903.

ANKENY vs. BLAKELEY, SHERIFF, *et al.*

Under the statute of Oregon shares of stock in National banks are to be assessed at their market value.

Where shares of stock of various banks in a county were assessed to the banks, but, on objection of one bank, its assessment was changed, and the stock assessed to the stockholders, the erroneous assessment to the banks did not amount to a discrimination against holders of stock in the bank which objected to the assessment to it.

This suit was brought to enjoin the collection of taxes levied against the plaintiff's stock in the First National Bank of Pendleton, Oregon, except such as would accrue upon a valuation of $76.94 per share.

WOLVERTON, *J.* (omitting part of the opinion): This brings us to the contention most strenuously urged—that the assessor and the board of equalization purposely, willfully, and arbitrarily adopted a vicious system of valuation, assessment and taxation, with a view to discriminating against investment in shares of the capital stock of the First National Bank, and in favor of other moneyed capital in the hands of individuals and private banking concerns within the county. Incidentally it is urged upon the other hand that a court of equity is without jurisdiction to determine the controversy, because, it is insisted, the plaintiff has a plain, speedy, and adequate remedy at law. Of this, however, we will not stop to inquire further than to observe that the allegations of the complaint seem to bring the case within the purview of many cases entertained in equitable jurisdictions, both State and Federal, and especially the latter. (See Oregon & C. R. Co. vs. Jackson County, 38 Or. 589 and authorities cited next below.)

Our statute provides that all shares of capital stock of banks located in the State shall be taxed at their value to the owners thereof in the county, city, or district in which they reside, and all shares standing in the names of persons residing out of the State shall be taxed to such persons in the city, county, or district where the bank is located. (B. & C. Comp. Sec. 3042.)

By the Federal statute, the Legislature of each State may determine and direct the manner and place of taxing all the shares of National banking associations located within its borders, subject to two restrictions only—that the taxation shall not be at a greater rate than is assessed upon other moneyed capital in the hands of individual citizens of the State, and that the shares of any National banking association owned by non-residents of any State shall be taxed in the city or town where the bank is located, and not elsewhere. (U. S. Comp. St. 1901, Sec. 5219.) This latter statute has received explicit construction by the Supreme Court of the United States, so far as it has application here. The term "rate," as employed therein, has relation to the assessment as a whole, and was not intended to signify the mere percentage of levy upon any valuation that the authorities might see fit to adopt. The

principle announced is that the valuation is only one, but an essential, step in the process of making a valid assessment; that an inequality in the rate of valuation necessarily produces an inequality in the rate of assessment or taxation; and that it is this inequality or discrimination that the statute inveighs against, so far as it concerns the taxation of shares of stock in National banks as compared with the taxation of other moneyed capital coming in competition therewith. Any system adopted for the assessment of taxes, therefore, that exacts from the owner of shares in a National bank a greater tax in proportion to their actual value than it does from the owner of other moneyed capital similarly invested, results in the taxation of such shares at a rate in excess of that placed on other moneyed capital, and falls within the inhibition of the law. (People vs. Weaver, 100 U. S. 539; Pelton vs. National Bank, 101 U. S. 143; Supervisors vs. Stanley, 105 U. S. 305; Hills vs. Exchange Bank, 105 U. S. 319; Evansville Bank vs. Britton, 105 U. S. 322; Boyer vs. Boyer, 113 U. S. 689.)

The chief purpose of Congress in placing a limitation upon the State's taxation of investments in National bank shares was to prevent the State from creating and fostering through its taxing power an unequal and unfriendly competition, by favoring other individuals or institutions engaged in similar investments of capital; the expression "moneyed capital in the hands of individual citizens" being interpreted, in brief, as signifying capital employed in the operations of banking, and otherwise used as money as a source of profit. (Mercantile Bank vs. New York, 121 U. S. 138; Aberdeen Bank, vs. Chehalis County, 166 U. S. 440.)

Having now ascertained the meaning and purpose of Congress in the adoption of section 5219, *supra*, we will determine what standard of value should be adopted for the assessment of shares in bank stock, it being insisted that the measure of such value is the face or par value of the paid-up capital stock, increased by the undivided earnings or profits of the bank; that, while other species of personal property may fluctuate, and its value be best determined by what it will bring in the market, the value of shares of bank stock remains constant and invariable, so long, at least, as the capital remains intact and unimpaired and is capable of exact ascertainment; and that, therefore, in view of the statutory directions that such shares shall be taxed "at their value," it was intended that the book value should be the test, and not the "true value in cash," as it is elsewhere directed that personal property shall be valued for the purpose of taxation. (B. & C. Comp. Sec. 3058.)

In this we are unable to agree with counsel. The section just noted prescribes that "all personal property not exempt from taxation shall be valued at its true value in cash." Shares of bank stock are personal property, and there is nothing in the language employed by section 3042, *supra*, to betoken or signify an intention on the part of the Legislature to set a different standard of value for that particular species of personal property, or that it should constitute an exception to the general provision, and, not being money which determines its own value, it must likewise be measured as other personal property—at its true value in cash.

Mr. Justice Holmes, while on the supreme judicial bench of the State of Massachusetts, in discussing the meaning of the expression "fair cash value," which is the equivalent of "true value in cash," for the purpose of taxation, with reference to shares of stock in a National bank, says: "Value refers to

exchange. The cash value of an article is the amount of cash for which it will exchange in fact. That amount depends on the opinion of the public of possible buyers, or of that part of it which will pay the most. If, in their opinion, the stock is worth only $102 per share—if that is all the stock will sell for—it is vain to show that the net value of the property of the corporation, that is to say, the opinion of the public about a chief component element of the value of the stock, if uncontrolled, logically leads to a different value for the stock. It has been recognized judicially that the value of the property and the value of the stock might differ, for reasons which have been found to exist in this case. * * * The difference in the value found by him (the commissioner) depends upon whether it is assumed that the corporation was to continue its business, or was to be wound up. If it was to continue its business, $102 was the fair and market value for a share; that is to say, $102 was the full amount of cash that could be got or ought to be got for a share in that bank, its property and prospects being what they were. The bank actually was to contine its business. Therefore that was the actual fair cash value of its shares. What they would have been worth in a different state of facts, if the bank had come to a stop, does not matter. Actual values are based upon existing states of fact, not upon hypotheses; and the actual value of shares in a going concern depends not only upon its property, but also upon its prospects, since shares both represent property and prospects." (National Bank of Commerce, vs. New Bedford, 155 Mass. 313, 315.) This case is so apt that we are disposed to follow it, as indicating the correct method of ascertaining the true value in cash for the purpose of taxation, within the purview of our statute, as it relates to shares of stock in banking concerns while continuing in the business for which they were organized.

We can now readily determine from the evidence whether the system of assessment and taxation adopted by the assessor and board of equalization, and applied in the assessment of the bank stock to plaintiff and other moneyed capital investments within the county, was vicious in principle, and calculated to discriminate against the First National Bank or its shareholders, for such is the ground upon which the suit is based. As it respects the assessment of the investments of moneyed capital by individuals, they were valued at sixty per cent. of their face, so that they, with whatever accumulation of interest there might be, were considered to be worth par, since, as a general rule, the valuations of all property, whether real or personal, were made on the basis of forty per cent. reduction of the cash value. In assessing the banks, the real estate in every instance was assessed to the bank, and rightfully so. The Farmers' Bank of Weston was assessed upon real property at a valuation of $18,720, and upon its bank stock at $5,268. The testimony shows that its stock was worth in the market what its paid-up capital and undivided profits or book value would indicate, namely, $127.83 per share, or $38,349. Deduct forty per cent. from this cash value estimate, so as to put it upon the basis of other assessments, and we have $23,010; but it was taxed upon a valuation of $23,988, or $978 above the initial cash value basis, allowing for the deduction.

The Pendleton Savings Bank was assessed upon its real property at a valuation of $21,975, and its bank stock at $27,315, aggregating $49,290. From the testimony we find that the cash or market value of its stock was $135 per share, or for the whole 500 shares $67,500. The book value—that is, considering the paid-up capital and undivided profits—exceeded this, being at the

rate of $149.20 per share. Reducing the total valuation by forty per cent. to bring it to the basis upon which other property was assessed, we have a balance of $40,500, which shows an excess assessment to the Savings bank of $8,790.

Upon a like reasoning from the facts established, taking its stock to be worth $100 per share, as the evidence indicates, it will be seen that the property of the Bank of Milton was not valued as high as it should have been by $2,774. Now, by applying the same test to the assessment of the First National Bank and its shareholders, we find that they have fared quite as well as other investors of moneyed capital, excepting only the Bank of Milton. The bank was assessed upon its real estate at a valuation of $24,935, which it may be observed was its reduced valuation from the cash basis to bring it to that at which other real property was assessed in the county, and the shareholders were assessed by the board of equalization upon their shares of stock at the rate of $160.74 and eight mills—to be exact, per share. This can be ascertained by a simple deduction made from the assessment of plaintiff's stock as it appears upon the tax roll, which is an exhibit in the case. This, of course, is the reduced valuation to bring it to the basis at which other personal property was assessed. At this rate the assessable value of all the stock of the bank, there being 700 shares, would be $112,523.60. Add to this the real property valuation, and we have the total valuation at which the property of the bank and its shares would have been assessed if the stock of all the shareholders had been listed, namely, $137,458.60. Now, the stock was worth in the market, to say the least, $320 per share. The plaintiff, who was at the time the President of the concern, and assuredly fully cognizant of its true financial condition, purchased a block at that figure; and considering his recognized business sagacity, it is not at all probable that he paid more than its real worth—in fact, we must assume that the purchase was a good business investment, or he would not have made it. But beyond this, the testimony of Judge Hartman shows that the stock was actually worth from $335 to $350 per share. He was qualified to testify on the subject, as he was managing Mrs. Sturgis' business, who was the owner of 110 shares, was assessed thereon at the same rate as plaintiff, and has paid the taxes in full accruing by reason thereof. At $320 per share, the aggregate valuation of the 700 shares would be $224,000. Reduce this by forty per cent., and we have a valuation for assessment purposes upon the basis at which other property in the county was assessed of $134,400, which shows an excess assessment of $3,058.60. If, however, a primary cash valuation of $335 per share—Judge Hartman's lowest estimate—be adopted, the proper deduction would show that the stock has been assessed below the standard by $3,241.40, and there is no reasonable cause for plaintiff to complain.

The Ankeny trust fund has no place in the consideration, and could only be material upon the hypothesis that the proper standard of valuation was the par value of the stock, increased by the undivided profits, as contended for by plaintiff's counsel; and the question would then arise whether the fund should still be considered undivided profits, or a completed dividend to the shareholders. But this, we have seen, is not the appropriate standard, within the intendment of the Legislature, which at once puts an end to its relevancy. It was not taken into account by the taxing officers, as, at the time the board of equalization made the assessment of plaintiff's shares to him,

it had no knowledge of such a fund. Nor did the board adopt, as the complaint charges and counsel insist, as a standard for valuation for moneyed capital investments in shares of all bank stock, excepting national, the par value of the paid-up stock, increased by the surplus and undivided profits. The just and sincere purpose of the board, as the evidence clearly indicates, was to get at the value of such shares of stock in cash, and it applied the same rule for the valuation of plaintiff's shares of stock in the First National Bank. True, when we figure out precisely the results from the testimony here adduced, there appear to be some inequalities in individual cases; but they do not arise from the standard of valuations adopted, or from any vice in the system of assessment and taxation employed, and must be attributed wholly to some misinformation or mistake in judgment of such officers in determining values under a correct rule, as the assessment of individuals proceeded. As was said by Mr. Justice Field in Stanley vs. County of Albany, 7 Sup. Ct. 1234, 1239: "Absolute equality and uniformity are seldom, if ever, attainable. The diversity of human judgments, and the uncertainty attending all human evidence, preclude the possibility of this attainment. Intelligent men differ as to the value of even the most common objects before them—of animals, houses, and lands in constant use. The most that can be expected from wise legislation is an approximation to this desirable end, and the requirement of equality and uniformity found in the constitutions of some States is complied with when designed and manifest departures from the rules are avoided." For mere irregularities or overvaluations which do not result from the application of a principle unwarranted by law, or a vicious system designed or calculated to operate unequally upon a large class of taxpayers, a remedy is provided by statute, through resort to the board of equalization, which is deemed speedy and adequate, and a court of equity will not intercede. The action of the assessing officers "is judicial in its character," says the eminent jurist in the case just cited. "They pass judgment on the value of the property, upon personal examination and evidence respecting it. Their action being judicial, their judgments in cases within their jurisdiction are not open to collateral attack. If not corrected by some of the modes pointed out by statute, they are conclusive, whatever errors may have been committed in the assessment." Our own decisions are to the same purpose. (Oregon & W. M. Sav. Bank vs. Jordan, *supra*; Ramp vs. Marion County, *supra*; Oregon & C. R. Co. vs. Jackson County, *supra*.)

Nor does the mere fact that the shares of stock in the other banking concerns were assessed to the banks, and the stock of the First National Bank to its shareholders, amount to a discrimination of which the plaintiff can complain. The standard of valuation, as we have seen, was the same as applied to all; and while in one instance the shareholders were to pay the taxes directly, and in the other through the banks, this can now make no difference to the plaintiff. It seems it had been the custom previous to this time to assess all the stock to the banks, which was done at their instance and request, as a matter of convenience to them; and there probably would have been no divergence from the custom, had not the First National Bank insisted that it be relieved of the assessment. The assessment of the stock to the other banks was invalid of course, but no one challenged it on that account, and the banks and their stockholders have acquiesced therein; and, it not having been shown to the contrary, we must assume that the taxes have been

paid. In reality, therefore, there exists no such inequality between the taxation of the First National Bank and its shareholders, and that of the other banks and their stockholders, or of other moneyed capital within the county, as a court of equity will relieve against. There is not the slightest evidence in the record that the assessor, the board of equalization, or any member thereof, acted capriciously or arbitrarily, with a view to taxing plaintiff's shares of stock at any greater rate than was adopted for the taxation of other moneyed investments, nor was the rate of valuations adopted in any degree calculated to lead to such vicious discrimination.

The allegations of the complaint, therefore, are not established by the evidence, and the decree of the trial court in dismissing it was properly rendered.

TRUST FUNDS DEPOSITED IN BANK—LIABILITY OF BANK FOR DIVERSION THEREOF.

Court of Civil Appeals of Texas, Oct. 24, 1903.

INTERSTATE NATIONAL BANK *vs.* CLAXTON.

Where a bank accepts a deposit from a patron known by it to be insolvent at the time, with knowledge sufficient to put it on inquiry whether the fund belonged to the depositors, it is liable to the true owner of the fund for the amount of loss sustained by him, where the bank permits the fund to be diverted to other uses than the payment of the owner.

This suit was brought by the Interstate National Bank, of Kansas City, Mo., upon a note of $520.83 made by W. N. Claxton, to the cattle commission firm of Tamblin & Tamblin, at the time also doing business in Kansas City, and by the said firm indorsed and assigned to the bank before maturity as security for certain advances. Claxton answered, admitting the cause of action upon the note, but sought to recover a balance of $1,375.38, as the net proceeds of certain cattle shipped to Tamblin & Tamblin, and by them sold, and the proceeds, with other money, deposited in the bank to their credit. He alleged, in substance, that at the time of such deposit, October 28, 1901, Tamblin & Tamblin were insolvent; that the bank knew the funds deposited belonged to others, and, by the exercise of due care, could have known the persons to whom the same did belong, notwithstanding which, and notwithstanding the bank's knowledge of their insolvency, it allowed said moneys to be deposited to the individual credit of Tamblin & Tamblin, and applied the same to the payment of pre-existing indebtedness due from them to the bank, and in payment of checks of Tamblin & Tamblin to persons other than Claxton. A jury trial resulted in a verdict in favor of Claxton for a balance of $835. The bank then took this appeal.

CONNER, *C.J.:* Our principal difficulty has been to determine whether the appellant is also liable to the extent sought in this suit for the sums paid out on checks of Tamblin & Tamblin. We have finally concluded that, under the circumstances of this case, appellant is so liable; and in support of this conclusion we add that, in addition to the facts heretofore recited, the evidence tends to show that Tamblin & Tamblin were but commission dealers or factors; that they did not engage in the purchase and sale of cattle on their own account, save, perhaps, to a very limited extent; that, while the proceeds of cattle sold by them had been uniformly deposited with appellant in their own name, Tamblin & Tamblin had no real right thereto, beyond their

commissions and other usual charges, all of which was well known to appellant's officers.

The evidence also shows that the Cudahy check for $4,528.65, hereinbefore mentioned, and which included the proceeds of appellee's cattle, bore upon its face the words, "Good only in payment for live stock and when drawn in favor of a Kansas City live stock commission office;" that all Cudahy checks were usually so indorsed, within the knowledge of appellant's officers. There is evidence also tending to show that, had said officers so desired, they could, by inquiry of Tamblin & Tamblin, or their employees, or of employees of the Cudahy Company, or by inspection of weighing slips used in the regular course of such sales, have easily learned of the fact and intent of appellee's real right in said check of $4,528.65.

It appears, also, without dispute, that on October 30, 1901, the managing officers of appellant refused to receive and credit deposits by Tamblin & Tamblin in their individual character, but formed what is termed by said officers a "trust fund" for Tamblin & Tamblin; such fund, less commission and yardage, being credited on the bank books to the respective owners. A number of such "trust" deposits were thereafter made by Tamblin & Tamblin; including one item of $396 and one of $21.80 on the 30th, and one of $130.90 on October 31, 1901, all in favor of, and subsequently paid to, the appellee in this case. It is also undisputed that on or about November 18, 1901, a petition in involuntary bankruptcy was filed against Tamblin & Tamblin, alleging that the act of giving the $30,000 mortgage to appellant was an act of bankruptcy. On November 29 thereafter, Tamblin & Tamblin answered, admitting the act as well as the insolvency charged, and were duly adjudged bankrupts.

We feel no hesitation in concluding that this, as well, perhaps, as other evidence that might be adverted to, tends to show that Tamblin & Tamblin were in fact insolvent on October 28, 1901, when the appellee's money was deposited with appellant, as heretofore stated, and that appellant, through its managing officers, knew this fact. If so, and if appellant in the same manner also knew that the fund deposited did not belong to Tamblin & Tamblin, why should it not be liable for appellee's subsequent loss?

The general rule undoubtedly is that knowledge will be imputed to one who has the means of knowing. (Wade on Law of Notice, secs. 11, 22.) This doctrine of imputed knowledge has been frequently applied in cases in some respects similar to the one before us, as will be seen by an examination of the following authorities, where notice or knowledge was treated as material, viz.: Wolffe vs. State, 79 Ala. 206, where a draft signed by one as trustee was held to put the receiving bank on inquiry as to the trust character of the deposit. A like conclusion was reached in Gerard vs. McCormick, 130 N. Y. 266, in case of a check signed as agent.

In Shaw vs. Spencer, 100 Mass. 389, it was held that a certificate of stock in the name of one as trustee put the receiving bank on inquiry as to who was the beneficial owner, though not known in fact. This last case is cited with approval in Duncan *et* Bank vs. Jaudon, 15 Wall. 175.

In Bank vs. Ins. Co., 104 U. S. 54, hereinbefore cited, it is said that the bank must be affected with knowledge of the trust character of the fund, if it had notice, either actual or constructive. So, also, in Union Stockyards National Bank vs. Gillespie, 137 U. S. 411, knowledge of the trust character of deposited proceeds of cattle sold by a factor was imputed to the bank.

In the case of Davis vs. Bank, 29 S. W. 926, by this court, the bank was held liable for trust funds applied in payment of the indebtedness of the depositing factor, and, in passing on the further question of the bank's liability for the payment of the factor's checks to others than the *cestui que* trust, it was said: "As to whether the bank should be protected in the amount it allowed Hancock (the depositing trustee) to check out, will depend on the question of notice. If it had notice of the real ownership of the funds, and that Hancock was not authorized to use them at the time it honored its checks, it is liable."

Let us apply the principle of the above and other cases to the facts of this case. As mere factors, which they undoubtedly were, Tamblin & Tamblin's general authority to act for appellee ceased upon their insolvency. (Mechem on Agency, sec. 267, *et* Audenried *et al.* vs. Betteley *et al.*, 8 Allen, 302.) If it be conceded that, notwithstanding such insolvency, Tamblin & Tamblin would have been authorized to draw a check in appellee's favor for the part of the fund on deposit due him, yet authority to draw checks on such fund in favor of others cannot be presumed, and the evidence shows that the checks actually paid gave notice on their face that they were to others than appellee; and, as we have seen, appellant was possessed of the means of knowing that Tamblin & Tamblin were in fact performing unauthorized acts, and wrongfully diverting and appropriating appellee's money.

We think the circumstances such as to put the appellant upon inquiry, and, that, if not actually known, knowledge of the trust character of the fund, of the fact and extent of appellee's interest therein, of Tamblin & Tamblin's insolvency, and of their wrongful appropriation of appellee's money, must all be imputed to appellant; and, if so, regardless of the want of other notice or of demand previous to appellee's answer, appellant is liable as having, at its own peril, entered the deposit of appellee's money to the credit of Tamblin & Tamblin, and having thereafter not only participated in its unauthorized appropriation to the extent of the items heretofore noticed, but also of having permitted and enabled Tamblin & Tamblin to wrongfully divert and appropriate the remainder to appellee's entire loss. (See Bank vs. Moore, 79 Fed. 705, 25 C. C. A. 150; Pearce vs. Dill [Ind. Sup.] 48 N. E. 788; 5 Ency. Law and Procedure, p. 530, par. "e"; Evans vs. Evans [Iowa] 48 N. W. 929; *et* authorities heretofore cited.)

We conclude, therefore, that no reversible error is shown in the court's rulings on demurrer, or upon the introduction of evidence, or in the charges given, or in the refusal of special instructions presenting different theories.

DEPOSIT IN BANK TO CREDIT OF THIRD PERSON.

Supreme Judicial Court of Massachusetts, Suffolk, January 6, 1904.

HEATH VS. NEW BEDFORD SAFE DEPOSIT AND TRUST COMPANY.

Where money is deposited in bank by one person to the credit of another, and the bank informs the latter of the fact of such deposit, the ordinary relation of banker and depositor is established between the bank and him, and the bank can not pay out the money without his direction.

This action was brought to recover $190 alleged to have been deposited to plaintiff's credit in defendant's bank by one Macomber, plaintiff's correspondent in New Bedford. At the trial in the Superior Court, it appeared

that, instructed by plaintiff, Macomber deposited the money to the credit of the plaintiff, and was given a signature card by the bank. After the deposit was made, the defendant's Cashier sent a telegram to the plaintiff to the effect that the deposit had been made to his credit. Before Macomber had returned the signature card, the plaintiff drew a check on the deposit, which the bank refused to pay. The bank then sent for Macomber, and returned the money to him Subsequently, Macomber paid the money to one Rice, an agent of the plaintiff, but whom the plaintiff claimed was a special agent, not authorized to receive the money, and that it was never paid to the plaintiff. The verdict was for the plaintiff, and defendant excepted.

BRALEY, *J.:* The contention of the defendant that the money was received from Macomber on the condition that he was to obtain the plaintiff's signature on the card furnished him, and return it the company, and because he failed to comply with this request the money was not accepted, and it was returned to him, becomes untenable, because at the time the money was handed to the Cashier of the defendant he was informed that the deposit was to be made for the benefit of the plaintiff, and he was requested to send a telegram to him that it had been made and placed to his credit. A telegram was sent accordingly, informing the plaintiff that $190 had been placed to his credit by Macomber. The defendant was not obliged to take the money or send the telegram, but, if it chose to do both, it must stand by the contract thereby made. Under the completed transaction, the relation between the parties was that of banker and depositor, and the defendant became the debtor to the plaintiff for the amount of the general deposit placed to his credit. And its liability could be discharged only by payment of the debt. Ordinarily this could have been done in either of two ways: The plaintiff might have gone in person and demanded and received over the counter the money, or he could have drawn his check on the defendant for a part or the whole of the sum; and if the company paid to him, or to a person lawfully presenting a check signed by him, its indebtedness would be discharged. (Carr vs. National Security Bank, 107 Mass. 45, 9 Am. Rep. 6.)

But while Macomber, in making the deposit, obeyed the instructions given him by the plaintiff, the fact that he was his agent for that purpose would not of itself be sufficient to clothe him with authority to check it out. And the rule is clear that the acts of an agent not within the scope of his authority do not bind his principal.

The defendant apparently became dissatisfied by reason of the delay in not receiving the card containing the signature of the plaintiff, as well as by the fact that the deposit was to be immediately withdrawn. But its dissatisfaction could not operate to change the nature of the contract or discharge it from liability. And when it paid over the money to Macomber it did so at its peril, and took the chance that he was authorized to sign the check by which it was withdrawn in the name and behalf of the plaintiff. In justification of its action, and under an allegation of payment in the answer, it now relies on a subsequent ratification by the plaintiff of this act of Macomber, arising out of a settlement of the accounts between them, and in which the amount of the deposit was included, and credited to the plaintiff. But it was a question of fact whether Rice, who purported to be an agent of the plaintiff for that purpose, was authorized by him to make such a settlement, and, if so, whether it included the amount of the deposit. And

the case was submitted to the jury under instructions which fully stated the legal rights of the parties. By their verdict they have found that the defendant has shown no sufficient legal reason to justify it in refusing to pay the demand of the plaintiff.

Exceptions overruled.

RECEIVER OF NATIONAL BANK—WHEN STATE COURT MAY APPOINT.

Supreme Court of Errors of Connecticut, December 18, 1903.

COGSWELL VS. SECOND NATIONAL BANK.

Where the period of corporate existence of a National bank has expired, and its affairs are being wound up, a Receiver for its property may be appointed by a State court upon the application of a stockholder.

Even though an order of a State court appointing a Receiver for the property of a National bank may be regarded as erroneous, yet where such a Receiver had been appointed, and has died, a State court may appoint a Receiver for the property which has then come into the hands of the personal representatives of such first Receiver.

This was an action for the appointment of a Receiver to wind up the affairs of a National banking association, and to collect certain assets which it was charged that its managers had wrongfully charged off or disposed of, brought to the superior court for New London county. An application for the appointment of a temporary Receiver was made to Hon. John M. Thayer, a judge of the court, in vacation. On the coming in of the superior court, a demurrer to the complaint was filed, pending which the temporary Receiver, after having filed an application for confirmation and a permanent appointment, died, and a successor was appointed as temporary Receiver.

BALDWIN, *J.* (omitting part of the opinion): That a National banking association derives its franchises from the United States does not exempt it from subjection to such State laws as do not impair its efficiency in performing those functions by which it was designed to serve the United States, nor trench upon a field occupied by Congressional legislation. (National Bank vs. Commonwealth, 9 Wall. 353, 362; Davis vs. Elmira Savings Bank, 161 U. S. 275, 283, 287; Easton vs. Iowa, 188 U. S. 220, 238.)

Jurisdiction of suits by or against such associations, "except suits between them and the United States, or its officers and agents, shall be the same as, and not other than, the jurisdiction for suits by or against banks not organized under any law of the United States which do or might do banking business where such National banking associations may be doing business when such suits may be begun." (Act July 12, 1882, c. 290, 22 Stat. 163, § 4 [U. S. Comp. St. 1901, p. 3458].)

For the purpose of all actions by or against them, at law or in equity, they are to "be deemed citizens of the states in which they are respectively located; and in such cases the circuit and district courts shall not have jurisdiction other than such as they would have in cases between individual citizens of the same State," saving only "the jurisdiction of the courts of the United States in cases commenced by the United States or by direction of any officer thereof, or cases for winding up the affairs of any such bank. (Act March 3, 1887, c. 373, 25 Stat. 436, § 4 [U. S. Comp. St. 1901, p. 514].)

For winding-up proceedings, in case of insolvency or certain other defaults on the part of the corporation, Congress has made special provision by

means of a Receiver appointed under authority of the United States. (Rev. St. U. S. §§ 5141, 5191, 5201, 5205, 5208, 5234 [U. S. Comp. St. 1901, pp. 3462, 3486, 3494, 3495, 3497, 3507]; Act June 30, 1876, c. 156, 19 Stat. 63 [U. S. Comp. St. 1901, p. 3509]. Cook County National Bank vs. United States, 107 U. S. 445, 448.)

These statutes were not designed to exclude proceedings within the ordinary jurisdiction of courts of equity to enforce rights of a solvent National bank against those who have mismanaged or are mismanaging its affairs. (Richmond vs. Irons, 121 U. S. 27, 48.)

The complaint in the case at bar is by a shareholder in the National banking association known as the "Second National Bank of Norwich." The bank is the sole defendant. It is alleged that in 1900 its capital was reduced from 3,000 to 2,000 shares, and certain of its choses in action charged off and set apart by direction of the Comptroller of the Currency for the benefit of those who up to that date had been the holders of the 3,000 shares, of whom the plaintiff is one; that certain property was held by certain trustees in trust for the payment of said choses in action; that the bank, in 1901, sued these trustees for an accounting; that in 1902 one Jerome and one Perkins obtained control of the affairs of the bank, for the purpose, among other things, of defeating said suit and preventing such an accounting, and did in fact afterwards succeed in effecting a withdrawal of the suit; that they made a fraudulent sale of the choses in action secured by the trust fund for an inadequate consideration; that they are wrongfully appropriating or wasting all the property of the bank in confederacy with certain others, and particularly with the Thames Loan and Trust Company, to which they have transferred its banking house and principal business; that the defendant's charter expired by limitation on February 24, 1903, and it now exists only for purposes of liquidation; and that the confederates named are arranging to transfer all its assets and use its good will "to serve the interest of said Thames Loan and Trust Company; and the winding up of the affairs of the defendant bank will be delayed, and its funds will get intermingled with the funds of the said Thames Loan and Trust Company; and the plaintiff is in great danger of irreparable injury and loss of property, will be subjected to great expense in litigation to ascertain what disposition has been made of the assets of the defendant bank and of those charged off as aforesaid, and by confusion of accounts it will be at least very difficult, if not impossible, to ascertain the exact facts, unless relieved by the interposition of this honorable court as a court of equity, and a Receiver is appointed, and the plaintiff is without adequate remedy at law." The sole claim is that by way of equitable relief "a Receiver be appointed of the defendant bank, with the power to wind up its affairs under the eye of this court, and to collect the assets of said defendant bank that were charged off as aforesaid, and pay them to such as are entitled to receive them." We have no occasion to inquire whether there was error in any of the proceedings had before the judge of the superior court in vacation, for none is assigned in the reasons of appeal. The superior court was first called upon to act by the application of Charles W. Carter, the temporary Receiver, appointed in vacation, made in pursuance of directions given in the order appointing him, for a confirmation of such appointment, and also for appointment as permanent Receiver. Before it was heard, the applicant died, and the plaintiff filed another application,

suggesting the death, and asking for the immediate appointment of some one else as a permanent Receiver. A series of written objections to either a temporary or permanent appointment, filed by the defendant, were all overruled, and a temporary Receiver appointed,

The third objection was founded on Rev. St. U. S. § 5242 [U. S. Comp. St. 1901, p. 3517], which reads as follows: "All transfers of the notes, bonds, bills of exchange, or other evidences of debt owing to any National banking association, or of deposits to its credit; all assignments of mortgages, sureties on real estate, or of judgments or decrees in its favor; all deposits of money, bullion, or other valuable thing for its use, or for the use of any of its shareholders or creditors; and all payments of money to either, made after the commission of an act of insolvency, or in contemplation thereof, made with a view to prevent the application of its assets in the manner prescribed by this chapter, or with a view to the preference of one creditor to another, except in payment of its circulating notes, shall be utterly null and void; and no attachment, injunction or execution, shall be issued against such association or its property before final judgment in any suit, action or proceeding, in any State, county, or municipal court.

In view of these provisions the defendant's claim was that no Receiver, either temporary or permanent, to take possession of its property, could be appointed before final judgment in the cause, inasmuch as the appointment would operate as an equitable execution, and be tantamount to an injunction touching the disposition of its property. The decretal part of the order of appointment made by the superior court, on June 23, 1903, after overruling these objections, was couched in these terms: "(1) That the Hon. Lewis Sperry, of South Windsor, in this State, be, and he is hereby, appointed to fill such vacancy as temporary Receiver of the Second National Bank of Norwich, and the assets and property thereof, and of the assets charged off as in the complaint in said action alleged, until further order of this court, or a judge thereof, with full power and authority to take possession and charge of the property, affairs, and assets of said defendant corporation, and to wind up its affairs, and of the assets and property charged off as in the complaint in this action is alleged, under the direction of the court or judge thereof. (2) That the said Lewis Sperry be required to furnish a bond in the sum of ten thousand dollars, with good and sufficient surety, to be approved by this court or a judge thereof, and to file the same with the clerk of the superior court for said county of New London. (3) From and after the filing and acceptance of said bond said temporary Receiver is hereby authorized and directed to take possession of all the property and assets of said the Second National Bank of Norwich, and of the assets charged off as aforesaid and the proceeds thereof, and to proceed under the direction of this court with the winding up of the affairs of said banking association and the collection of said charged-off assets, until further order of the court in the premises; and the officers and liquidating committee of said Second National Bank and the administrator of the estate of said Charles W. Carter are hereby ordered, upon demand of said Receiver, to deliver to him all property and assets of said defendant bank and said charged-off assets." The statute which has been quoted forbids the issue of any attachment, injunction, or execution under authority of a State court against any National banking association, whether solvent or insolvent. (Pacific National Bank vs. Mixter, 124 U. S. 721, 727.)

But was the order complained of process of that nature, when considered in view of the exigencies which, in the judgment of the court, made it proper, and of the effect which it could practically have? The original order of appointment was made at chambers on May 5, 1903. It contained directions to the temporary Receiver to take possession of the defendant's assets, and to its officers and liquidating committee to deliver them to him on demand, similar to those in the order of June 23. These directions, it must be presumed in the absence of anything in the record to the contrary, were promptly obeyed. The order superseded the power of the directors to proceed with the liquidation of the affairs of the bank as effectually as if they had been in terms enjoined against so doing. (Bank of Bethel vs. Pahquioque Bank, 14 Wall. 383, 400.)

When, then, the first temporary Receiver died, it is to be assumed that he had in his hands all the defendant's assets. His death necessarily threw them into the possession of the administrator upon his estate. The real purpose and effect of the order therefore was to recover them, as speedily as possible, from his personal representatives, so that they could be held and disposed of, under the supervision of the court, for the benefit of all who were legally entitled to participate in the proceeds. If, therefore, the order passed in chambers can be considered as erroneous, because in violation of the act of Congress, it does not follow that the order appointing the second Receiver was. That deprived the defendant of the possession of nothing, for it then held nothing in its possession. It sequestered no assets in favor of any particular creditor; for the plaintiff, though suing alone, in effect sued for the benefit of all those similarly interested in the funds, and of all creditors who might come in and show a right to share in any of the assets held by the Receiver. (Richmond vs. Irons, 121 U. S. 27, 44.)

In its mandate for the delivery of the defendant's property to the Receiver by its officers and liquidating committee and the administrator of the estate of Charles W. Carter, the reference to its officers and liquidating committee did it no harm, since the former order, which ran against them in the same way, had long before been fully executed. The court issued its process to preserve a fund, already in its hands under a decree to which no exception has been taken, from risk of loss by accident of death. It was an act for the benefit of the bank, the equity and validity of which it was in no position to deny on the ground in question, after so long a tacit acquiescence in the order of May 5, and which, as it did not affect it injuriously, would not, even if erroneous, support the appeal. (Gen. St. 1902, § 802.)

The fourth objection was that the bank had no corporate existence for the purpose of being sued in this action. Under act July 12, 1882, c. 290, 22 Stat. 164, § 7 (U. S. Comp. St. 1901, p. 3459), National banking associations, upon the expiration of the term for which they are incorporated, do not cease to exist, but their franchises are "extended for the sole purpose of liquidating their affairs, until such affairs are finally closed." For the proper liquidation of their affairs it is obviously necessary that they should retain the capacity of suing and being sued, and the statutory extension of the franchise accomplishes that result.

The fifth objection was that the superior court had no power to appoint a Receiver to wind up a National bank at the instance of a stockholder. This is true so far as concerns such cases of action as are by act of Congress made

the foundation of winding-up proceedings to be brought under the authority of the United States. For other causes of action Congress has left the State courts free to grant relief of that nature whenever the general rules of equity may be deemed to call for it. (Merchants and Planters' National Bank vs. Trustees, 63 Ga. 549; *Id.*, 65 Ga. 803; Elwood vs. First National Bank, 41 Kan. 475.)

The plaintiff sues not merely as a shareholder, but as a *cestui que* trust with respect to a specific fund. His general rights as a stockholder had also been enlarged by the expiration of the term of full corporate activity of the bank. It was no longer a going concern. It was kept in life only that its affairs might be wound up, and his complaint stated a case which sufficiently justified him in seeking to have it wound up, and the special trust fund administered by others than those who were found in control.

NOTES OF CANADIAN CASES AFFECTING BANKERS.

[Edited by John Jennings, B. A., LL. B., Barrister, Toronto.]

CHOSE IN ACTION—ASSIGNMENT OF MONEY PAYABLE IN RESPECT OF CONTRACT—DAMAGES FOR INTERFERENCE WITH THE WORK—ATTACHMENTS OF DEBTS.

GRAHAM vs. BOURQUE (6 Ontario Law Reports, p. 428).

STATEMENT OF FACTS : This was an appeal by the Bank of Ottawa, the claimants in garnishee proceedings, from an order made by the master at Ottawa directing payment to the judgment creditor.

Joseph Bourque, one of the judgment debtors, made a contract with the corporation of the city of Ottawa for the construction of a drain in Ottawa; he then entered into arrangements with the Bank of Ottawa to borrow the money for carrying on the work. As part of the security for the advances to be made to him by the bank he assigned to the bank "all and every sum or sums of money now due or to become due and payable to me by the corporation of the city of Ottawa in respect of a certain contract existing between myself and the said the corporation of the city of Ottawa for the construction of section three of the main drain in the city of Ottawa," and by the same instrument he appointed them his attorneys to receive the same and to give releases therefor.

While Bourque was proceeding with his work under the contract he found himself hindered and put to additional expense by the fact that the corporation of the city continued to send water down certain existing street drains of theirs, which water found its way into the works of Bourque under his contract, owing to defects in the drains through which the water was sent down. The money required from and advanced by the Bank of Ottawa to Bourque for the purpose of completing his contract work was largely increased because of the expense of getting rid of this water and the damage and inconvenience caused by it. Bourque brought an action against the city corporation to recover the additional cost occasioned by this water as damages, and obtained a judgment against them for $2,810.50. The judgment creditor took garnishee proceedings against the judgment debtors to seize this judgment debt, and the Bank of Ottawa claimed the money under the assignment, their advances being still largely unpaid.

The learned judge of the county court of Carleton, before whom the garnishee proceedings were had, after hearing the evidence, held that the debt in question did not pass to the bank under the assignment, and ordered payment to be made by the city to the judgment creditor.

JUDGMENT (STREET, *J.*): In my opinion the Bank of Ottawa is entitled under the assignment from Bourque to receive from the city the moneys in dispute here. The language of the assignment extends to all moneys which may become payable "in respect of the contract." The contract between Bourque and the city gave rise to a duty or to an implied contract, no matter which, binding the city to do nothing to impede Bourque in the execution of the work and to a liability to compensate him if they should do anything to impede him. If this had been set forth in the contract it is clear that the compensation would have passed to the bank under the assignment; but the same duty on the part of the bank to pay, and the same right to the contractor to receive compensation, although not set forth in express language in the contract, arise out of the mere fact that such a contract has been made; and, therefore, the compensation should be held to be money payable "in respect of the contract."

The appeal should, therefore, be allowed with costs to the bank and the garnishees here and below.

MORTGAGE ON UNDERTAKING—BONDS—INTEREST COUPONS—REAL PROPERTY LIMITATION ACT.

TORONTO GENERAL TRUST CORPORATION *vs.* CENTRAL ONTARIO R. W. CO., *et al.*

STATEMENT OF FACTS: This was an appeal by certain of the defendants from the following certificate of the local master at Belleville.

The plaintiffs were mortgagees under a mortgage dated April 1, 1882, made by the defendant company to secure their bonds. The defendant company having paid neither principal nor interest, this action was against the company to recover $2,200,000 principal and interest upon the bonds, and in default of payment for a sale of the defendant company's railway and property. Judgment was obtained by the plaintiffs directing a reference to the master, who added the appellants, and one Samuel J. Ritchie, among others, as parties in his office, they being respectively the holders of a large number of the bonds of the defendant company with interest coupons, and the defendant Ritchie being the holder of a large number of the earlier maturing coupons which he had acquired from the original holders of the bonds.

The master's certificate was as follows:

"I certify that pursuant to the judgment herein dated March 23, 1903, and April 6, 1903, I was attended by the solicitors for Thomas Gibbs Blackstock and Robert Weddell and Samuel J. Ritchie, and in the presence of the parties settled an advertisement calling upon all holders of bonds of the defendant company, and all persons having claims and charges on the undertaking of the company, to prove their claims, which said advertisement having been duly published, I was attended, amongst others, by Samuel J. Ritchie, who claimed to be the holder of a large number of bonds with coupons attached and also a large number of detached coupons, all of which detached coupons had matured more than six years prior to the institution

of this action, and objections having been raised by counsel for Thomas Gibbs Blackstock and Robert Weddell to the right of the said Ritchie to prove upon said detached coupons, and also all detached coupons which matured more than six years prior to the date of this action, and further to the right to charge the lands and undertaking of the defendant company with more than six years' arrears of interest. I proceeded in the presence of the parties to consider the said matter, and find that none of the coupons, whether they are attached or detached, are barred by the statute of limitations, and that they are all entitled to the same rank as the principal payable by the bonds."

The appeal was upon the ground that the master should have held that the holders of bonds were entitled to charge the defendant company's lands and undertaking with merely the principal and six years' arrears of interest upon the bonds, and that all the detached coupons, and such of the attached coupons as matured more than six years prior to the maturing of the bonds, were barred as a charge against the defendant company's lands and railway, under the Real Property Limitation Act.

JUDGMENT (BOYD, CHANCELLOR): The restrictions placed upon the right to recover arrears of interest charged upon lands imposed by secs. 17 and 24 of the Real Property Limitation Act, R. S. O. 1897, ch. 133, are not applicable to the case of coupons for the payment of interest on railway mortgage bonds, which are secured by mortgage deeds of trust. The land contemplated by the statute is a very different thing from the railway undertaking upon which the interest is secured. That undertaking is an integral, indivisible property consisting of land, chattels, and franchises, which for the satisfaction of creditors or bondholders must be dealt with or sold in its entirety. The remedy sought in this case by the corporation holder is not by way of action or distress as specified in sec. 17 of the statute, but is claimed under special provisions which pertain to this railway. Default has been made in the payment of the principal money of the bonds, and plaintiffs as trustees have proceeded under the third provision of the statutory mortgage to enforce payment of the principal and the interest unpaid thereon.

All the bondholders are subject to and bound by the terms of this instrument, and the proceeding is for the common benefit of all. The very trust which is to be observed in case of default is that the trustees are to take possession by a receiver, which has been done, and then to proceed to realize by sale, as has been determined in this case. The extended directions given in the second provision of the mortgage, where default has been made in payment of the interest, provides for the payment of all interest due and unpaid upon the bonds. That is also the necessary import of the third provision, and it is repugnant to any idea that only six years' interest is to be recovered on the coupons. These are in effect documents under seal; the bond under seal covenants for the payment of the coupons, and they partake of the nature of a specialty, and are good for at least twenty years.

It would be incongruous to find that the coupons are statute-barred as to the realty part of the undertaking and yet exigible as to the personalty part. The security cannot be thus divided.

On this ground I am willing to affirm the master's finding, with costs to be paid to the respondent by the appellants.

CONDITIONAL SALE—ESTOPPEL—DECLARATION AND CONDUCT OF OWNER—SALE BY OSTENSIBLE OWNER—IMPLIED AUTHORITY—TITLE OF BONA FIDE PURCHASER—CONDITION—WAIVER.

THE PEOPLE'S BANK OF HALIFAX vs. ESTEY.

STATEMENT OF FACTS: This was an action brought by the plaintiff bank to recover the sum of $2,766.63, the value of 321,702 feet of spruce logs. The bank had advanced to one Upham, a lumber operator, certain sums of money and had taken as security an assignment of all the spruce logs cut or to be cut by the said Upham during the then current season. Later Upham authorized the bank to sell this lumber in order to repay themselves. In July, 1900, the bank sold these logs to one McKendrick, a lumber-dealer of the city of Fredericton, but by a clause in the agreement retained the property in the said logs in themselves until McKendrick should have paid the purchase price.

After this the defendant Estey, desiring to purchase the same logs which were then in the Fredericton boom, applied to the plaintiff's Manager at Woodstock, who told him that the bank had sold the logs to McKendrick. Thereupon the defendant entered into negotiations with McKendrick, and in August, 1900, bought the logs in question from him and paid him in full. Out of this purchase money McKendrick paid the bank $10,000 on account, and received a release in respect of logs to that value. Shortly after this McKendrick failed and did not pay the bank anything more. In January, 1902, the bank made a demand on the defendant for the logs in question claiming them as the bank's property under the clause referred to in the agreement with McKendrick, though they had made no objection to the delivery of the logs by the boom company to Estey.

The action was tried before Landry, J., who entered judgment in favor of the plaintiffs. From this judgment an appeal was taken to the Supreme Court.

JUDGMENT (TUCK, *C.J.*): Upon the foregoing state of facts, about which there can be no dispute, the defendant, by his counsel, contends that the bank waived the condition in the contract with McKendrick, that the property should remain in it; and I do not entertain a doubt that this contention is sound. If it were otherwise it would strike at the very root of the principal commercial business of this country. All of us, who know anything about lumber operations, know that banks, especially those having branches outside of Saint John, make advances in the fall and winter, and oftentimes in the spring, to lumber-getters, and take security somewhat similar to that which the plaintiffs took from Upham; and again and again the operator, who cuts the trees in the woods, and brings the logs to market, is allowed to deal with them as if they were his own, and they are not dealt with as if they were subject to any lien. The bank, or the individual it may be, who makes the advances and takes the security, trusts the debtor that he will pay. It is only when a suspicion arises as to the honesty or ability of the debtor that the creditor looks to the security.

Take the case in hand. It is much stronger against the plaintiffs than an ordinary one. The bank, doubtless having every confidence in the honesty and ability to pay of McKendrick, sells him the Upham logs, with a condition that the property in the goods sold is to remain in the vendor until the purchase money is paid. This contract is put away in the bank's safe. The

defendant calls upon the bank's Manager, and seeking to buy these very logs, is told that they are sold to McKendrick. The boom company and Sewell receive orders from the bank to deliver the logs, and they are delivered to him accordingly. Afterwards the defendant buys from McKendrick and the bank receives from him $10,000 which had been paid on account of these logs. Not only that, but the bank lies by, and makes no demand upon the defendant for the logs until January, 1902. Why, if the bank should prevail in this suit, no purchaser would feel safe in buying sawlogs, or the deals manufactured from them. Carry the bank's contention to its ultimate conclusion, and it might amount to this, that if McKendrick had, instead of selling, sawn the logs, and sold the manufactured lumber, to a merchant in Liverpool, and had not paid the proceeds of the sale to the bank, it could, as well as in this case, sue the Liverpool merchant in trover or for money had and received. The idea is too absurd to be entertained for a moment in a mercantile community. It is neither common sense nor good law.

I am convinced, from the evidence, that from the outset the bank meant that McKendrick should dispose of the lumber, and trusted him to pay the proceeds of the sales to them. It was never in their contemplation to follow the lumber in the hands of an innocent purchaser. Call it estoppel, call it waiver, call it by what name you please, the bank cannot recover in this action. I have examined many of the cases cited at the argument and have not found one which favors the plaintiffs' view.

But I need not cite other cases. It seems to me that the law applicable to this case is plain; that the verdict given must be set aside, and a verdict entered for the defendant.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be sent promptly by mail.

Editor Bankers' Magazine: GROTON, N. Y., February 27, 1904.

SIR: (1) M, a President of a National bank and also a President of a manufacturing corporation, loans a sum of money to said corporation for the bank, or hires from said bank for said corporation for said sum. At this time the bank had already loaned to the corporation its full limit under the banking law, and for the purpose of evading the law takes a note made by an employee of the corporation and endorsed by the said corporation. At the same time the President saying in substance to the maker of the note, that he will never be called upon to pay anything and stating to him the reason for wanting the note made in this way. The note was delivered to the bank and the corporation has full credit for it. Can this note be enforced against the maker by the bank? The corporation was insolvent at the time and is so yet; none of the other officers or directors of the bank knew anything about the details of this transaction; the note was renewed by the maker several times and after the death of the President. It seems that the President of the bank was acting for the bank and the corporation.

(2) Also another case. The President of the bank and President of this same corporation permits the corporation to overdraw its account with the bank to the amount of $7,000 at a time when the corporation was insolvent and was owing the bank its full limit. Some time thereafter at a meeting of the directors of the bank a vote was taken and carried charging this overdrawn account to undivided profits, at the same time the corporation makes its note for the amount. Of course this note was not considered good and has not been counted as assets of the bank. Can the bank maintain an action against the President for loaning its funds in negligent manner or what is its remedy. W. B. GALE, *Cashier.*

Answer.—(1) We do not think that the bank can enforce the note against

the maker. The case is very much like Higgins vs. Ridgway (153 N. Y. 130). In that case, the defendant made a promissory note for $14,000, to the order of himself, and indorsed and delivered the same to the President of the North River Bank, without consideration, and upon the assurance of the President that he should not be held liable thereon. The Court of Appeals held that this was a good defense, and that as the transaction constituted a conditional delivery, the evidence was not objectionable as tending to vary or contradict the written instrument.

(2) Upon the facts stated, we think the bank could maintain an action against the former President to recover the amounts lost through his negligence. (Briggs vs. Spaulding, 141 U. S. 132; Hun vs. Cary, 82 N. Y. 65; Williams vs. McKay, 40 N. J. Eq. 356; Ackerman vs. Halsey, 37 N. J. Eq. 356; Myer vs. Caperton, 87 Ky. 306.)

Editor Bankers' Magazine: ROME, N. Y., February 10, 1904.

SIR: We are receiving from time to time notes reading "With interest thereon, at the rate of —— per cent. per annum." There seems to be some doubt in our mind as to whether or not we should charge interest upon such an item. I have one before me which is sent us for collection by an out-of-town correspondent, and I notice that they have not figured interest upon the same. One attorney tells me that the note draws interest; another one that it does not. Your answer will be awaited with interest. CASHIER.

Answer.—The general rule is that where the instrument provides for the payment of interest, and no *rate* is prescribed, the legal rate is implied. (Scotland County vs. Hill, 132 U. S. 107; O'Brien vs. Young, 95 N. Y. 428.) And in the absence of evidence to show a contrary intention, a note containing the provision given in the inquiry would bear interest at six per cent. But this implication might be rebutted by the circumstances of the case. Suppose, for example, that a note on a blank form, containing these words, had been discounted by the payee, who had taken out the interest on the full amount of the principal. In such case, the inference would be very plain that the provision in regard to interest was left in the note by mistake, and the payee would not be permitted to recover more than the principal, especially as this would make the transaction usurious. Each case, therefore, must depend upon its own particular circumstances. In the special case stated in the inquiry, we think that the fact that the transmitting bank has said nothing about interest, and has made no computation of interest, would justify the collecting bank in accepting a payment of principal only.

Editor Bankers' Magazine: CLIO, Mich., February 23, 1904.

SIR: Mr. A issues a check on bank B, payable to C or order for $1,000. Mr. C endorses check and before depositing it in his local bank loses it. C asks A to stop payment on the original and issue him a duplicate, offering at the same time to furnish a satisfactory bond to protect A in case the original appears. A refuses to give a duplicate within sixty days of his notice that original was lost. What law or custom governs the issue of duplicates, and has C any legal right to demand an immediate settlement of the indebtedness represented by the check? CASHIER.

Answer.—There is no way in which A can be compelled to issue a duplicate check. But C has another form of remedy. The delivery and receipt of the check did not extinguish the original indebtedness absolutely, but operated as a payment only *sub modo*, and the check being lost, C can still sue on the original debt. (Angel vs. Fulton, 8 Johns. [N. Y.] 149; Lazell vs. Lazell, 12 Vt. 443.) In such action the court would fully protect A by requiring C to give security to indemnify A in case the check should come into the hands of a *bona fide* holder for value.

SAVINGS DEPARTMENTS IN COMMERCIAL BANKS.

Commercial banks in many parts of the country are establishing interest or savings departments. The custom seems to have originated in the towns that were too small to support both a commercial and a Savings bank; and, while it has not yet been adopted to any great extent in cities of the first magnitude, it is being introduced into many cities which already have Savings banks, while in such cities as New York, Chicago and St. Louis, the trust companies do a business which is practically a combination of commercial and savings banking. The recent acquiescence of the Comptroller of the Currency in the policy will doubtless tend to spread it greatly among National banks, where it has hitherto been rather slow in taking root.

Naturally, this movement has attracted the attention and excited the opposition of the Savings banks, whose officers consider it an invasion of their rightful field, and a dangerous financial policy. Especially in States where the Savings banks are carefully regulated by laws prescribing the safest possible forms of investment for the savings of the laboring classes, the objection is raised that it is wrong in principle and mischievous in practice to permit the savings of the poor to be jeopardized by the larger risks taken by commercial banks.

In banking, as in all other lines of business, every radical improvement temporarily injures certain existing interests; and, notwithstanding the complaints of the Savings banks, the establishment of savings departments in commercial banks seems to be a step toward greater profits for the banks and greater safety for the public. The question of the profitableness of a savings department to a commercial bank need not be discussed at any great length. The fact that the movement is rapidly spreading is sufficient evidence of its profitableness. The lessening percentage of clerical expenses to business done is a well-established business principle; it is at the foundation of the universal tendency toward consolidation in all industries. After the machinery of a bank is once well organized, comparatively little is added to the expense account by handling the business of a savings department. This remark applies with added force to the host of small banks in which the commercial business transacted is not sufficiently large to take the whole time of the two or three men employed; but even in the largest banks the doubling of the business by no means doubles the administrative expenses.

Another advantage, more subtle but none the less real, derived by a bank from its savings department, is the increase of its totals in the published reports. "Nothing succeeds like success," and an increase of fifty per cent. to 100 per cent. in a bank's deposits is perhaps the best advertisement the bank can have in the community. Not only does it attract attention to the bank and produce a favorable opinion regarding its management, thus tending to bring it more business, but the increased number of depositors gives a busy, wide-awake air to the banking house, and as most men decide upon their banking connections upon the recommendation of friends, the more satisfied depositors a bank has, the more missionaries it has in the community.

An advantage derived by a commercial bank from a savings department, which seems to the writer of more importance than the bank's own profit, inasmuch as it affects the welfare of the general public, is the added safety of the banking business made possible by proper management. The ordinary commercial bank holds all of its deposits subject to withdrawal upon demand, while it places a considerable

portion of them in time loans. If, therefore, for any reason confidence in the bank is shaken and all of the depositors demand their balances—in other words, in case of a general "run"—the institution must inevitably close its doors, as it cannot realize at once upon all of its assets. This fear of a panic is the constant dread of the careful banker. If, however, a considerable line of savings deposits, with sixty or more days' notice of withdrawal stipulated, is built up, the danger from a run is greatly lessened, and if the bank holds fixed deposits payable at the end of six months or a year, it is evident that there can be no possible danger from a run, if such deposits are placed in loans maturing within the time when the deposits are payable; consequently it is perfectly proper for a commercial bank to attract fixed or time deposits by offering a special rate of interest for them—that is, by establishing a savings department.

This point is of such vital importance that, at the risk of repetition, it seems well to illustrate it. Suppose that an institution with a banking capital of $100,000 has $100,000 in demand deposits in its commercial department, and $100,000 in savings deposits with the privilege of demanding sixty days' notice of withdrawal. If in a central reserve city, the bank must keep $50,000 reserve; if in a country town, it might have this amount in cash and with its reserve agents. By loaning $50,000 on call against proper collateral, the bank would at all times be in a position to meet its demand deposits instantly. The $100,000 savings deposits could be used with absolute safety in discounting thirty and sixty day paper, since the right of demanding notice of withdrawal would guarantee the maturity of the notes before the obligations to depositors became due. Of course, under normal conditions notice of withdrawal would be waived; but the provisions for a bank's safety must be like those for the safety of a ship—not made to hold in fair weather only, but in storms and hurricanes as well. The bank's own capital of $100,000 could then be used in four or six months' loans or invested in prime securities, or even in mortgages upon real estate, which is actually done in many of the small western banks, in spite of the fact that it has never been considered a safe procedure for a commercial bank. It will be readily seen that the bank here used as an illustration is at all times in a position to meet every possible demand upon it by the public (provided, of course, its investments are safe). The constant worry of the commercial banker—the consciousness that he has obligated himself to repay on demand funds which he has placed out of his reach for from three to six months—is thus seen to disappear under a properly conducted savings department operated in connection with his bank.

One more advantage of a savings department must be mentioned. It is a well-known fact that in the keenness of present-day competition a bank cannot secure large mercantile accounts without the promise of a certain line of accommodation. It is also well known that, while conservative banks do not care to accept a note running more than sixty or ninety days, there is frequently an understanding, tacit or expressed, to renew the loan at maturity, and in many well-managed banks borrowers are not expected to fully liquidate their indebtedness to the bank oftener than once or twice a year. It is evident that the banker who has a large line of time deposits is in a better position to promise a line of accommodation with the certainty of being able to carry out his agreement, than the banker whose deposits may be withdrawn without a moment's notice, thus compelling him to refuse promised assistance to borrowers in time of stringency or panic, when such assistance is most needed, and perhaps causing the houses to fail. The promise of a continuous line of credit is another of the points at which the commercial banker must frequently stretch his conscience a little. Of course he can always raise the rate to a prohibitive figure, or cavil at the conduct of the account. A savings department, by insuring a more uniform line of deposits, removes the necessity for sudden and ruinous contractions of credit, and this is a strong argument in its favor.

It would be unfair to close this discussion without noticing some of the principal objections urged against the savings department. Perhaps the favorite one is, that the savings of the poor should not be subjected to the risks of a commercial bank. In order to attract fixed deposits, however, commercial banks must offer a higher rate than the Savings banks, and if the risks are greater, so are the returns; and it is optional with the depositor, to be content with a small return and greater safety, or to take greater risks for the higher rate. It is a universal economic law, that the returns and the risks rise and fall together. Limit the risk to which savings may be subjected, and you limit the income from those savings.

It is objected further that the savings department, necessitating a higher earning capacity to pay the interest offered, has a tendency to lead to less conservative loans and investments. If the rate of interest offered be abnormally high, this tendency cannot be denied. While a savings department has been shown to be advantageous, it is not to be built up by offering a ruinous rate of interest to attract deposits. If, however, a moderate rate only is paid, there is no undue danger of unsafe investments or speculation. The higher earning capacity necessitated by the payment of interest is at the same time made possible by the longer loans which the bank is enabled with safety to make.

A third objection to the introduction of the savings department in commercial banks is the assertion that there is an essential and radical difference between the business of a Savings bank and that of a commercial bank; that they are, in fact, two entirely different lines of business and cannot be joined without detriment to both, any more than a racer and a workhorse can be driven together. The Savings bank, it is said, deals in funds that are not employed in trade, but are entrusted to the bank for the purpose of safe and comparatively permanent investment, while the commercial bank deals with the constantly fluctuating working balances of the active trader left with him for convenience and safe-keeping only, and which the banker must therefore keep in the form of quickly convertible investments. While this is a correct description of the typical savings and commercial accounts, respectively, they represent two extremes between which there are numerous classes of bank accounts shading insensibly into the ideal types. In other words, accounts vary without a perceptible hiatus from the totally inactive savings account to the most active mercantile account. There is no hard-and-fast distinction in this tenure of deposits between a commercial and a Savings bank, and as the loans and other investments shade as gradually from the demand loan to the five year mortgage on real estate, it would seem that the banking business is naturally one harmonious whole, and that its separation into two arbitrary and artificial divisions is more dangerous and detrimental to the interests of the bank and of the public than its unification would be. At any rate, the advantages of the latter pointed out above seem worthy of attention.

OSCAR NEWFANG.

RECONCILING LABOR TROUBLES.—I would rather have the credit of making successful the movement to bring labor and capital into closer relations of confidence and reliance than to be President of the United States. If by resigning my seat in the United States Senate I could bring to fruition the plans we are now fostering to make strikes, lockouts and great labor disputes impossible, I would gladly do so. I think it is the grandest thing that could be accomplished in this country. I would want no greater praise than to have the country remember that I did something to end the wars between American labor and American capital.—*The late Senator Hanna.*

*THE PRACTICAL WORK OF A BANK.

THE COLLECTION DEPARTMENT.

III.

Broadly speaking, the collection department of a bank is that part of its force and routine that attends to the collection of everything payable in the bank's own locality that is not of a strictly cash nature; and also of everything due and payable elsewhere. It is the recording machine through which the instruments of credit pass; and, taken as a whole, this department of banking forms one of the most important arteries of commerce.

The person at the head of this department, the collection clerk, should be one of

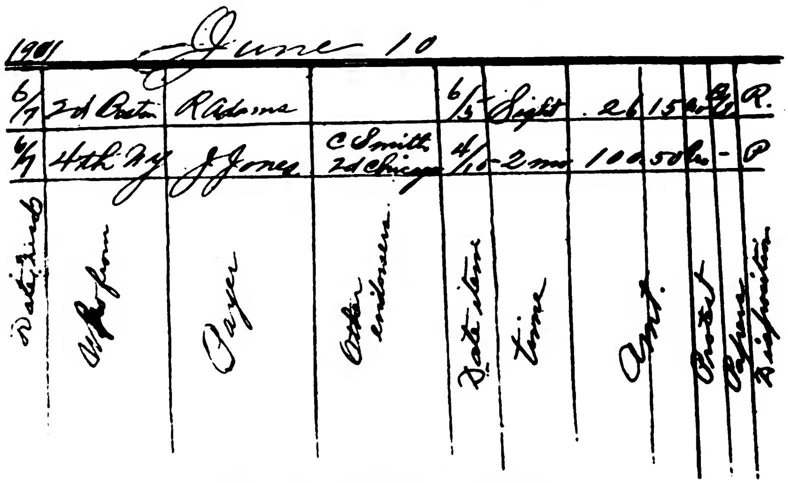

FIG. 1.—COLLECTION TICKLER, LOCAL.

pleasing address, sound judgment, accurate and careful. He should have a thorough knowledge of the principles of banking law, especially of those governing negotiable securities. Being brought into direct contact with the bank's customers and the general public, he must possess unfailing courtesy, patience, and self-control. As many problems and vexatious questions will come to him, particularly at busy periods when his impulse will cause him to be brusque, and possibly say things lacking in consideration and courtesy, it is always well to remember that politeness is one of the cheapest of things and also one of the most effective, and productive of the best returns. His work is not confined in such narrow limits as many positions in the bank, and the greater variety and broader scope which his work affords give him good opportunities to develop himself and his ability. In fact, there are few bank positions which can show such direct results for persistent endeavor.

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* A series of articles to be published in competition for prizes aggregating $1,050, offered by THE BANKERS' MAGAZINE. Publication of these articles was begun in the July, 1901, number, page 18.

The grist upon which the collection mill is fed (checks, notes, drafts, etc.) divides itself into two divisions, local and foreign, according to place of payment.

Method of Dealing with Local Collection Items.

The local collections received from the mail or the bank's customers are separated into those which are complete in character (such as notes and acceptances), and those which must be presented for acceptance or completion. The former are entered in a maturity tickler (Fig. 1) giving full description and history, notices sent,

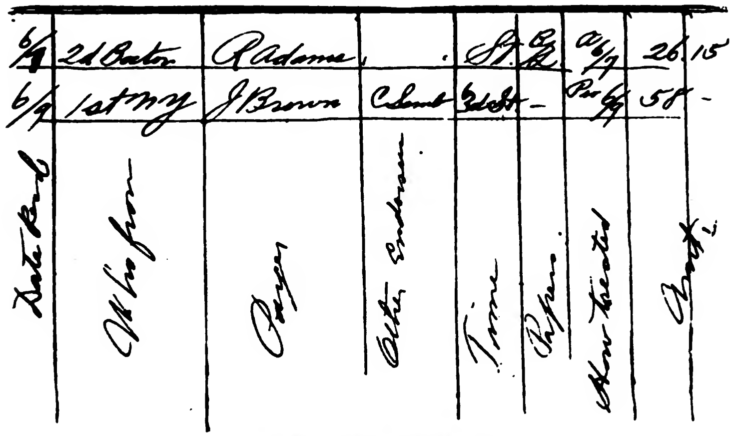


Fig. 2.—Draft Register.

and are then practically laid away until their day of maturity brings them back to life. During the interim their safe-keeping is the only cause for anxiety. When the notes are due a long way ahead, the notices may be filed with the maturities until a convenient date, and then mailed to the proper parties. Notices are not required by law, but custom is so general that it would not be wise to be careless in regard to them.

The drafts and other items which are to undergo presentation should be entered in a register (Fig. 2) giving their vital points of description, and then given to the messengers to take out. In handling these items, the main fact to bear in mind is whether they are protestable or not. If it is "protest," the latitude which the bank exercise in the matter is very small; the law prescribing just what may or may not be done, and any departure from such conventional customs will be at the bank's peril. But in regard to an item forwarded with "no protest" instructions, the case is different. The very fact of its being forwarded in such manner is practically a permission to the collecting bank to use its common sense, and collect if possible. But even with these, it is much better to follow the terms of the instrument, and not take too much for granted. If delay of a day or two will secure payment, it is sometimes well to grant it, unless there are directions to the contrary. The law gives a drawee twenty-four hours, anyway, in which to accept a draft. If a longer time is asked for, the plan would be to ask for instructions, thereby both giving notice and avoiding responsibility. A demand draft, of course, does not receive indulgence at the hands of the law, and, as its terms specify, is payable on presentation and demand. And in accommodating the drawee of a draft the bank must not let him fall into the habit of expecting and demanding delay. Some men are persistently chronic in this respect, and they should be handled firmly yet courteously. A bank should control its own business, not be controlled. Some banks follow

the practice of holding a draft the length of time they would have it if it were duly accepted, but technically it does not seem to be a plan to be favored.

The messenger on receiving the drafts which he is to take out to be presented to the drawees, should endeavor to make a personal presentation wherever possible, and secure an answer thereon as early as possible. Where the item is refused, the messenger should try to obtain the reason therefor and write it on the back of the draft. A notice should be left when a draft has been presented and the drawee not seen. Drawees of drafts who are practically inaccessible on account of distance should have notices sent them giving the principal facts of the draft, and requesting prompt attention. If such draft happens to require protest for dishonor, it is generally given to the notary to present and protest if necessary. But in all cases where possible, whether the draft is protestable or not, the drawee should personally see the draft. It will be considered an acceptance if the drawee merely write his name across the face of the draft, if the time of payment is signified in the body of it. If it is drawn at sight or if the time dates from the acceptance, it is necessary that the date of the acceptance be written also. A proper acceptance should have the word "accepted," the date, and the signature of the acceptor. The acceptance may direct its presentation at some bank for payment, but may not alter the conditions of the instrument by making it payable in some foreign locality. Minor technicalities will, of course, be interpreted according to the intention of the parties, but it is never wise to pass loose or ambiguous acceptances, as they are always dangerous and open to dispute. A good collection clerk can use some freedom according to his knowledge of the parties with whom he is dealing, but it is safer to be technically correct. The messenger will frequently be asked by drawees to whom he presents drafts to leave them that they may be examined at leisure. Such a course is generally allowed in cases where the parties are of good standing, but it is simply a courtesy and not compulsory. The messenger has discharged his duties correctly if he does not care to leave the draft (which may have more or less valuable papers attached), and simply leaves a notice instead. If he leaves the draft, however, he should always take a receipt in lieu of it. Acceptances made under powers of attorney add to the worry in this department. A person accepting a draft in this manner may tell where his power is on file, and the bank can thus verify it. But such powers can be revoked at any time, and a bank does not probably have time to verify each and every instance of this sort. In most cases they will hunt it up at once and take it for granted thereafter. The case may be put down as one of the legitimate risks of banking, and is another instance where the collection clerk's knowledge of men helps him to decide how much risk to run. He should endeavor, however, to have such "powers" in his own file.

Arrival drafts (drafts payable on arrival at destination of goods represented by the draft) are an invention of modern times to facilitate business, but which the hard-worked collection clerk calls a decided nuisance. Generally they are presented to the drawees when received, and then filed away waiting for the drawees to notify and pay the bank when the goods arrive and the draft consequently matures. But it can be readily seen that the bank in accepting the collection of these drafts renders itself liable, in a way, to the drawer and endorsers to see that that indefinite period "arrival," is properly attended to. It is a particularly awkward time to measure a draft by, yet they have obtained the right of "custom" and consequently must be endured. The method of handling these items seems to be to treat them as demand drafts, payable on arrival of the goods referred to. They are presented and the verbal direction of the drawee to hold is all that is asked for, and probably is all that is desired by the drawer of the draft. But with these, as with others, instructions regarding protest form the keynote of the collection clerk's actions. If the draft requires technically accurate handling a written acceptance must be obtained, as in case of ordinary drafts, protesting same if acceptance is refused.

A draft for which a presentation notice has been mailed shall be held at the bank until the parties notified have had reasonable time to attend to it. How long is a reasonable time? All business matters are expected to be attended to promptly by business men. Some clerks, however, apparently hold items for an indefinite period, awaiting the drawee's convenience, or the limits of patience of those from whom he may have received the draft. One day added to the quickest possible time of attention should be ample.

Drafts are sometimes drawn, for example, "with exchange on New York" (or sometimes with the obnoxious substitute—"in New York exchange," which would permit the drawee to tender any kind of a New York check in payment). Some banks hold that as, in many cases, the exchange is not an absolutely determinable sum, they are not obliged to pay any attention to it in case the drawee objects to paying what is asked. This course is probably most widely followed. Technically, however, a refusal to pay the exchange is a refusal to comply with the terms of the draft—hence a refusal of the draft. The common-sense reasoning is that the amount of exchange is, in the vast majority of cases, not worth bothering about.

After the drafts have all been presented they are checked off the register. Those which are accepted are separated from those which are to be held, returned, or protested; and entered in the collection tickler under their maturity dates, the date being noted on a convenient section of the item (the upper right-hand corner being a favored place, as in running over the dates a glance takes in the identity of the instrument as well), and then they are filed away with the notes and acceptances according to their dates of payment. Then when a day's maturities are taken out they should be compared with the record on the tickler, thus making a safety check against error. Those which are payable at another bank should be given to the messenger to present and collect, and acceptances payable through the clearing-house should be charged in through the clearing. It is customary in some places to charge through the clearing any maturities payable at a particular bank, whether there happen to be explicit instructions or not. But this course has not unanimous approval, and the items do not stand on the same footing as checks.

In collecting the drafts and notes payment should be required in cash, bank check, or certified check. There are naturally occasions where the demand for the above forms of payment may be inexpedient, or ill-advised, but the exceptions should be the subject of the most careful discrimination. In taking the check of a firm in good standing the chance of loss is extremely small, but in the matter of collections it is not a bank's business to take chances. A bank is merely an agent, and cannot therefore know all the circumstances surrounding a collection.

Ambiguous instruments will come in occasionally, and also collections of an unusual character—such as stocks to be sold or delivered on more or less specified payment, bills of lading without any accompanying draft, but to be delivered and released on the payment of a certain sum. An instrument to be negotiable (and consequently under protest responsibilities), is supposed to be absolutely clear in all its parts; but once in a while one comes along of so unusual a nature that it is hard to decide just how to treat it. In general, however, it is better to follow the maxim, "It is better to be safe than sorry," and to protest in all doubtful cases. The cost of protest fees is a small item compared to the liability which might arise from the neglect to protest. But the collections just referred to should not be encouraged. The bank in accepting the performance of the transfer, sale, or delivery, may unwittingly become a responsible party to transactions of which it may have no clear knowledge, and liable as such. When papers or securities are attached to a draft, it becomes a documentary bill and the collection clerk experiences no difficulty or worry in handling it, owing to his familiarity with the rights and duties connected with negotiable instruments. In the latter case the attached security becomes of second-

ary importance ; depending entirely upon the tenor of the draft. Any and all business out of the usual course should always be subjected to the most searching examination. An alert collection clerk must ever be on the lookout, "Eternal vigilance is the price of safety."

In the case of documentary bills, the most uncomfortable feature is the frequently unreasonable demands of the drawees for the surrender of the attached papers on acceptance, irrespective of whether the facts of the case render such a course permissible. In the absence of explicit instructions it is generally best to hold such papers until the payment of the draft. This, at least, is probably the safest way, the courts having rendered somewhat conflicting decisions on the subject. With reference to bills of lading, "McMasters Decisions" give the terms of the draft and the title of the bill of lading as deciding the rights of the drawees in the matter. Demand drafts being only for payment, and not for acceptance, furnish no such troublesome problems. With a time draft having the bill of lading attached, the case is different. If the title in the bill of lading is made direct to the drawee as consignee, the bill of lading may be released on acceptance, in the absence of specific instructions. If, however, it is made to the order of the consignor, and endorsed in blank, the evident inference is that the title to the goods represented is not to pass to the drawee until he has paid the draft, and consequently the bill of lading must be held. When instructions accompany the draft relative to the bill of lading or documents which may happen to be attached thereto, they should be followed. When there are no instructions, the law and common sense should rule. The collection clerk should err, if he err at all, on the side of safety.

On the local portion of the collection business, the profit is derived from direct exchange charges; from loanable funds on account of the deposit balance of collection accounts which have periodical remittances ; and also from reciprocal accounts. Items on which direct exchanges are made come principally from large mercantile houses who particularly desire quick returns. They also come in from banks and banking houses whose collection arrangements are not very extensive, or perhaps for individual reasons. This class of business is discouraged by some banks and looked at more in the light of a necessary evil ; but by careful handling, and persistent "nursing," or solicitation, it can be developed into a profitable branch of the bank's business. To determine the rate to be charged on this class of business is a problem for each bank to work out for itself ; but it should be small enough to encourage more, and yet large enough to show an average profit. The main point to bear in mind is that the larger the volume of business, the less the average proportion of expense, and the greater the profit. Many banks also enclose a slip when returning unpaid items of this kind, asking for a small fee to cover the expense of time and postage. The New York and Boston Clearing-House regulations have caused an increase in this business by making iron-clad charges which affect all but a few "par points" throughout the country.

With the collection accounts which are remitted for periodically, the returns are less definite but probably much more satisfactory. Banks having a large line of this business can count on quite a handsome average deposit balance from it, and the returns from the loanable funds thereof help the interest account materially. Where possible a bank should try to receive a deposit balance in connection with any collection agreement. The loaning of funds is a bank's principal business, and the source of its greatest profit.

The Foreign Collections.

The foreign collections (items of all kinds which are due or payable elsewhere) are more a matter of methodical routine than the local division. Many institutions have what may be termed wholesale collection arrangements. That is, they arrange

with some correspondent or correspondents to collect all of their foreign items free of expense, usually offsetting this accommodation by keeping with the collecting bank a certain agreed deposit balance. In such cases a bank merely enters up and records all its items, sending them forward to its correspondent, who may send them in a more or less direct channel to their ultimate destination.

It quite frequently happens that the collecting bank may have some wholesale arrangements of its own, and a check or note frequently travels long and far before it is finally presented for payment. Theoretically, such agreements are not to be approved of, as there is a certain element of danger in the delay. But with banks, as with individuals, the prevailing desire is to "get the most for the least." Endless-chain affairs, however, are to be deplored. Naturally, it is impossible for a bank to have a correspondent in every place in the country, and the expense of forwarding each check and note direct would be very heavy financially, as well as a great bother. But a bank should have a sufficient number of good correspondents to insure, at least, a fair degree of directness and promptness in collection.

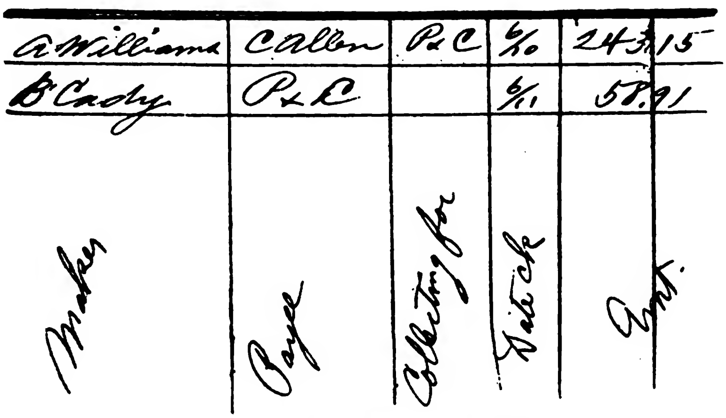


FIG. 3.—CHECK REGISTER OR LETTER FORM.

All collection agreements, as indeed any important information in connection with this department, should be carefully recorded and easily referred to. The different branches and details of the work are so many and varied that it is easy to get matters mixed if things are not carefully systematized, and information tabulated. Collection agreements with correspondents should be recorded when made, rates charged on drafts should be posted, and so on. A good bank officer will always try to have affairs in his department in such shape that if he should suddenly step out, another man could step right into his place and proceed with the routine with practically no trouble or friction. A man frequently forgets, but a record does not.

Another point to be kept in mind in making agreements is, that the law holds a bank responsible for the custody of notes, drafts, and checks and also for the selection of its collection agents. So security and strength must be borne in mind and sought for.

Checks should be entered in a register (Fig. 3), or written on a letter form, giving a record of the item's vital points. In all cases sufficient information should be taken that any lost check could be traced and a duplicate obtained if necessary. All lost items should be promptly notified to all the parties thereto, and a duplicate may then be issued. If it is a note, and the day of maturity is at hand, payment

should be demanded the same as if the note were at hand, and protest may be made from records.

In forwarding time items a somewhat more detailed record is required than is the case with checks (Fig. 4). In addition to the conventional points of checks, the details of time, protest, and attached documents enter into the record. In writing these on the letters, it is well to list the name, maturity, documents attached (if any), and amount. Instructions as to protest and delivery of any attached papers are usually noted, and banks almost invariably follow such directions in preference to any instructions which may be attached to the draft itself. The reason is that

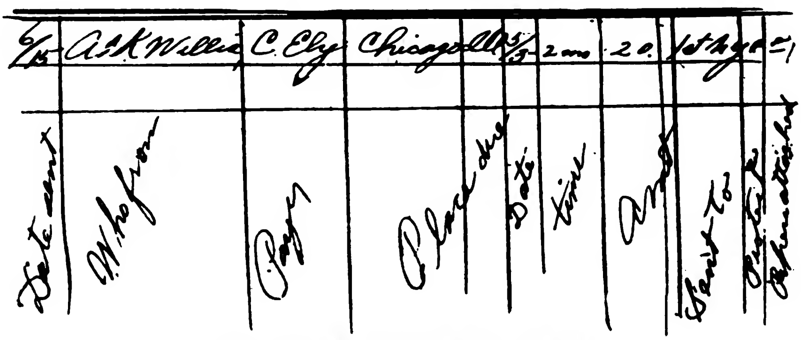


FIG. 4.—COLLECTION TICKLER, FOREIGN.

they are liable to the bank from whom they received the item, and that bank's instructions are naturally those which will be followed.

The numbering system is a popular assistant in this part of a bank. This is used by individualizing the collection by number, and having correspondents advise credit by that number. A common form is to write the number of the page of the collection tickler together with the number of the line on which the item is recorded. For example: first line of two hundred forty-fifth page equal No. 24501, thirty-first line of the second page equal No. 231. This system prevents confusing duplicate amounts, as well as assisting in turning to the record of the item. It is especially a great aid in regard to the foreign collections. With the local collections the item itself is usually before one, so the number is unnecessary, excepting in case of banks whose business reaches a very large scale. C. JOEL.

MR. ATKINSON'S SIGNATURE.—Though not so very aged (he is only 70,) Edward Atkinson, the noted anti-imperialist, anti-expansionist, economist and inventor of the "Aladdin Oven," is so feeble that he can no longer write with a pen, but uses a rubber stamp in signing his name. This is done even on checks of small or large amount. As such a signature is not legal, Mr. Atkinson renders it so by attesting it according to the Bertillon system. He inks the ball of his thumb on a pad and leaves the imprint on the check, as much as to say—"Edward Atkinson, his thumb." Bank Cashiers in Boston and elsewhere have become familiar with the hair lines of the Atkinsonian thumb, and a piece of paper bearing it is as good as legal tender.

Why should not all banks and trust companies adopt this system? If every one who draws a check were to attest his signature by means of the thumb mark, forgeries would be few and far between. It would not be necessary for Cashiers or paying tellers to familiarize themselves with 1,000,000 thumb marks, more or less, but a book of such marks could be kept for reference when doubts arose concerning a signature. There is nearly always something about a forgery that leads to suspicion, and if followed up, to detection.—*New York Press.*

FRANK W. WOOLWORTH

President Guardian Trust Co., New York

FRANK W. WOOLWORTH.

THE NEW PRESIDENT OF THE GUARDIAN TRUST COMPANY, NEW YORK.

Frank W. Woolworth, who was elected President of the Guardian Trust Company, of New York city, in July, 1903, and re-elected to that position on January 25 last, is one of the self-made men of the American metropolis. His career illustrates what can be accomplished in this country by energy and business aptitude, and what great possibilities there are in humble beginnings.

Mr. Woolworth is a typical, pushing American, and has achieved a degree of success that ranks him among the notable men of the country.

There have been few developments in retail merchandising so unique and successful as the five and ten cent stores established by him and now in operation in sixty-six cities of the country. There are seventy-eight stores in all, ten of them in Greater New York, and they do a business amounting to over $10,000,000 annually, and employ from 1,500 to 5,000 people—the former number representing the minimum in mid-summer and the larger figures the busy season.

The founder of this business, and its energetic proprietor and manager, Frank W. Woolworth, was born and reared in the country. He was born in Jefferson county, N. Y., April 13, 1852, and lived on a farm until he was twenty-one, receiving a common-school education. In the winter of 1871–72 he attended a commercial college at Watertown, N. Y., and on his graduation entered a drygoods store in that place. For the first three weeks he got no wages, but paid $3.50 per week for board. The second three weeks he received a salary of $3.50 per week. He remained in this situation for six years, his salary never exceeding $10 a week. He married, and out of his salary saved $50 a year.

His attention to the possibilities of his present mercantile business was attracted by the success of a five-cent counter put in by the firm with which he was employed. His employers soon succeeded so well that they became wholesale dealers, and Mr. Woolworth applied to them for a stock of goods on credit. Having secured the goods to the value of $325, he opened his store, although he lacked the $35 necessary to pay the first month's rent. At first he did fairly well, but lacking an adequate stock, business declined and his first attempt was practically a failure. In about four months after beginning this venture, he decided to try it over again elsewhere, and after obtaining another stock of goods he opened in June, 1879, at Lancaster, Pa. Here he did a good business from the start and cleared $1,500 the first year. He now has a handsome modern five-story office building at Lancaster, which may be said to fitly commemorate the scene of his early mercantile triumph.

New stores were established from time to time, but for the first fifteen years progress was slow. In 1894 Mr. Woolworth opened his first store in New York, and his method of selling goods proved so popular that he now has ten stores in the greater city. It should be said that he has made a notable success in a field where many others have failed.

Mr. Woolworth's city residence, at Fifth avenue and Eightieth street, is one of the notably fine houses in that center of wealth and fashion.

THE "R" SYSTEM.

FOR USE IN BANKS DOING A COMMERCIAL BANKING BUSINESS.

[Supplemental to article in the January issue, showing forms for Collection and Auditing Department. By CHARLES W. REIHL, Philadelphia.]

In the article in the January BANKERS' MAGAZINE I gave description and illustrations of a scientific system for handling credits and debits in bank work, which allows doing away with the pass book. This is too great a departure from the ordinary methods for very many bankers to adopt at once. While they are anxious to have the best methods for doing the work, they fear to take so advanced a step as doing away with the pass books. But this method, or a similar one that will banish the pass book from its present position in banking, is quite certain to come into almost universal use in time, for it has all the advantages of safe and systematic banking, and that is more than can be said of the pass book as it is generally used.

The adoption of the system might at first make some depositors feel a little anxious as to how it will affect their relation with the bank, but they would soon lose the anxiety when they found their monthly or quarterly statements so complete in every detail, and they would be convinced that the change was for their good as well as for the good of the bank.

The country banker may think that it is not for him because it establishes a new department—the auditing department. But this can be arranged in most cases by a slight rearrangement in the work. Of course where one or two do all the work it would not have much advantage in point of safety.

For the benefit of those who desire to see the other forms, referred to, for the collection and auditing departments, they are now presented.

COLLECTION DEPARTMENT.

In this department use the same forms for making record of notes and drafts as shown in Figures 1, 2 and 3 in the previous exposition of the system. In fact, the only change in this department is omitting the advice cards, Figures 4 and 5, and for them have the card for the items of collection credits, as shown here in Figure 1. One of these cards is to be used for each depositor who uses the collection department. On the card is to be made a record of all collection items credited to the party, with date and name, as given in the illustration.

These cards are to be kept in the collection department, and if the amount of business is not too heavy they can be kept in the same place where the returned items are kept until returned to the depositor.

The depositor's name placed at the side of the amount column is for convenience in handling when filed away in the wallet pocket or sectional drawer.

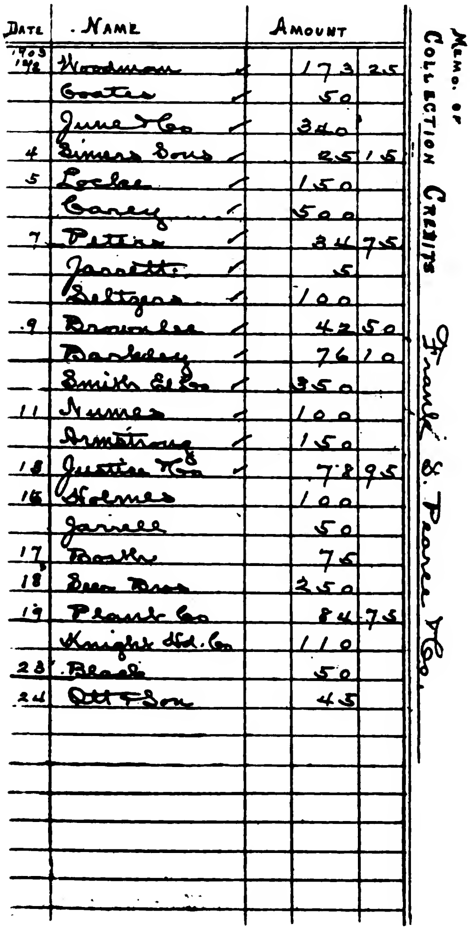
The memorandums on the cards are to be made from the credit slips before they start on their journey to the ledgers and auditing department.

The object of the cards is this: When the depositor brings his pass book to have the credits entered, you simply need to get his card and copy the entries that are on it into his book. When entry has been made tick it on the card—see the illustration again. This saves the time and trouble of looking up entries under the various dates in credit scratcher or day book, if either is used.

The daily record settlement sheet is to be used as described in January—amounts only to be placed on it.

The Auditing Department.

The settlement sheet as shown in Figure 14 of the January article is the only form used in the auditing department under that plan; but in this alternative

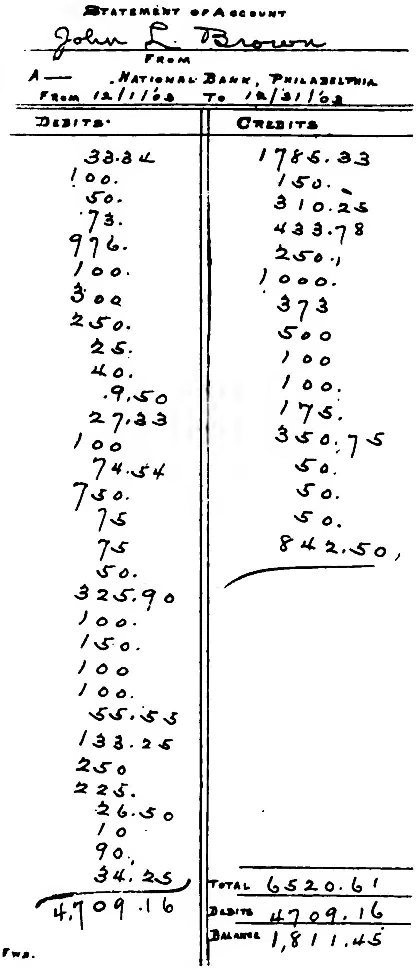


Date	Name	Amount	
1903 12/2	Woodman	173	25
	Coates	50	
	June & Co	340	
4	Simms Sons	25	15
5	Locke	150	
	Carey	500	
7	Petti	34	75
	Jarrett	5	
	Seltzer	100	
9	Brownlee	42	50
	Barkley	76	10
	Smith Ex Co	350	
11	Nunes	100	
	Armstrong	150	
12	Justice & Co	78	95
16	Holmes	100	
	Jarvis	50	
17	Booth	75	
18	Dean Bros	250	
19	Plank Co	84	75
	Knight Hd. Co	110	
23	Black	50	
24	Ott & Son	45	

Memo. of Collection Credits

Frank & Pierce & Co.

Fig. 1.



Statement of Account

John L. Brown

From

A—— . National Bank, Philadelphia.

From 12/1/03 To 12/31/03

Debits	Credits
33.34	1785.33
100.	150.
50.	310.25
73.	433.78
976.	250.
100.	1000.
300	373
250.	500
25.	100
40.	100.
9.50	175.
27.33	350.75
100	50.
74.54	50.
750.	50.
75	842.50,
75	
50.	
325.90	
100.	
150.	
100	
100.	
55.55	
133.25	
250	
225.	
26.50	
10	
90.	
34.25	
4,709.16	

Total 6520.61

Debits 4709.16

Balance 1,811.45

Fwd.

Fig. 2.

method it is not used. But it can be used and the use of the pass book continued, for some banks do it. In its place two or three forms are suggested and here shown. This method will no doubt suit the average country banker better than the settlement sheet.

All credit and debit slips are to come to this department, but instead of being listed on the settlement sheet before being filed away they are filed away at once in their proper places. When an account is to be settled the credits and debits are to be listed on the statement of account slip shown in Figure 2.

This slip is designed to have items listed either on the adding machine or with pen. It is ruled on both sides. Debit and credit columns are on the front of the slip, and as there are usually many more debits than credits, the back of the slip is arranged for debits only. If the slip is to be used on the adding machine it might be well to have all columns on the front and not use the back.

The total of credits and debits and the balance as shown on the slip are to be entered in the pass book; and it should be seen that the credits in the pass book, correspond to those on the slip.

The debits and credits can be listed on the slip every day or two, or they can be left until the account is to be settled.

With this plan is a card, Figure 3, on which to keep a record of balances at time of settlement. One of these cards is to be made out for each account and kept in the section of the check file drawer where the credit and debit slips are kept. This card is not to be taken away from the auditing department. By using this card the account can be settled at any time without referring to the ledger for last balance and without having the pass book. It can also be used at any time in proving the ledger accounts. The settlement should be compared with the ledger to prove the balance before the book or statement is delivered to the depositor.

Under certain circumstances it may be well to have a record in the auditing department of the daily balances in the ledgers so that the department can keep in close touch with the standing of all accounts. For this purpose the daily balance sheet, Figure 4, is suggested. It is arranged to use on the adding machine and to hold six-days' work on each side of the sheet. It would be convenient to have these made so they could be filed in loose-leaf binders, and so they would be in handy form for reference.

BALANCES AT SETTLEMENTS

DATE	AMOUNT	
Jan. 2. 1903	3475	90
Feb. 1. "	3187	46
Mar. 3 "	5005	70
Apr. 1 "	4525	50
May 15 "	2943	15
June 1 "	3790	20
July 1 "	6500	30

ACCOUNT OF Sam'l Taylor & Sons

BALANCES.

FIG. 3.

The writer feels like offering an apology for the suggestions here presented to use as substitutes in place of the forms presented in the original article, for that is very complete in itself. At first thought some may say these suggestions weaken the system, but they do not—they show its adaptability to all conditions.

The forms given herewith are presented so that those who object to doing away with the pass book will see how the pass book can be retained and many of the good features of the system still used.

The system as originally presented, or with these substitutes, can be adapted to the use of any bank doing a commercial banking business. This is evident, because from the unit or single form in each department it is capable of expansion to

NAME.	Nov. 23, 1903.	Nov. 24, 1903.	Nov. 25, 1903.	Nov. 26, 1903.
Aarons, Samuel,	$3,845.50	$3,561.05	$2,999.24	
Abel & Smith Co.,	1,259.67	1,432.76	1,547.09	
Adams Son & Co.,	524.50	654.21	490.32	
Adamson Elec. Co.,	6,547.85	7,550.45	8,547.63	
Aretens, John,	750.00	750.00	750.00	
Abern & Co., S.,	1,225.75	1,150.31	1,321.51	
Albany Mfg. Co.,	10,136.43	12,543.75	14,325.76	
Ammons Ptg. Co.,	325.65	375.00	290.21	
Amour Co.,	9,500.00	9,500.00	9,500.00	
Annett, Chas.,	225.00	285.00	310.00	

FIG 4.—DAILY BALANCES—A to K LEDGER.

meet the needs of a small bank, a medium-size bank or a large bank, the same principles operating in each case.

I have no patent or copyright on this system, although it has cost me much time, thought and study—not to mention money, and any bank is at liberty to use any part or all of it without paying royalty.

ADVISING DEPOSITORS.—It may be of interest to state here that it is a rule in the Bowery Savings Bank whenever any of its depositors are supposed to be drawing money to invest in stocks to ask them respectfully if they would be willing to go back and see the President. With but a single exception such an invitation has been cheerfully accepted, and in a great majority of the cases the depositor has been made to see the very great risk he or she was taking, especially those who are contemplating buying on a margin, and they have abandoned their intention and left their savings in the bank, leaving with thanks for the kind and unexpected interest taken in their personal affairs. When a man, however, comes in and states that he is withdrawing his money to "play the races," and that it is his business, upon which he depends for a living for himself and family, any one can see that it is "up to the President," and a difficult job for him to handle. It is a little singular to note that one of the depositors admitted that he drew his money (some $500) to bet on the election of McClellan. If he did he must have won his bet, but so far he has not returned with the $500 that he risked in such gambling nor its increase, and the probable result will be that this first step has led to its total loss. But the case of the honest old Dutchman, who drew $1,500 to buy a husband for his daughter, was laughable.—*W. H. S. Wood, President Bowery Savings Bank, in "New York Times Annual Financial Review."*

THE EVILS OF OUR PAPER CURRENCY.—A paper currency such as we have invites and encourages the exportation of gold upon the first symptoms of adversity. Rigid in volume, dependent upon the condition of the Government revenues, and ultimately redeemable only out of the Government's reserve, reissuable practically at the pleasure of the Government, it stands as a continuing menace to the stability of prices and values, interferes with the normal development of existing business, and checks new enterprises both at home and abroad; whereas, a properly regulated bank-note currency, expanding and contracting with the needs of our commerce and industry as manifested from time to time, promptly redeemable in coin, and when so redeemed actually put out of use unless the occasion for reissue arises from a demand based upon trade—such a currency would enable us to protect our reserves of specie just as other nations do.—*M. L. Muhleman, late Deputy Assistant Treasurer of the United States, in "New York Times Annual Financial Review."*

*GEORGE F. SEWARD.

Hon. George Frederick Seward, LL.D., for nearly a score of years connected with the United States diplomatic service, holding the post of Minister to China from 1875 to 1880, and of recent years prominently identified with underwriting, and since 1893 President of the Fidelity and Casualty Company, of New York, was born in the village of Florida, Orange County, New York, November 8, 1840. His family, a distinguished one in American annals, is traced to an ancestor who came hither from Wales. For centuries past the name has been of heraldic rank in England and Ireland, and not a few of its bearers in those kingdoms have been persons of eminence in letters, science and statecraft. During the Revolution the American Sewards were loyal to the cause of the Colonies, and John Seward, the great-grandfather of the subject of this sketch, sturdily fought for freedom, holding the rank of colonel in the patriot army. A son of this gallant officer, Dr. Samuel S. Seward of Sussex, New Jersey, settled in Orange county, N. Y., after the Revolution, and, engaging in business pursuits apart from his profession, acquired considerable wealth. His third son, William H. Seward, an uncle of the subject of this sketch, won signal distinction as a statesman; and, as one of the brilliant and able leaders of the Republican party, had strong support as a presidential candidate. He was successively Governor of the State of New York, United States Senator, and Secretary of State in the Cabinet of President Lincoln; and narrowly escaped death at the time the latter was assassinated. George Washington Seward, son of Dr. Seward, married Tempe Wicke Leddell, daughter of Dr. John W. Leddell, of Mendham, N. J. They had five children. George Frederick, the subject of this sketch, was the fourth of these. He was prepared for college at the Seward Institute, Florida, N. Y., founded by the family, and in 1856 entered Union College. Being called upon to assume the management of the large property of the family, he withdrew from the college before completing the full course and, devoting himself to the task with intelligence and ardor, won substantial reputation as a business man before he attained his majority. Appointed United States consul at Shanghai in 1861, and confirmed notwithstanding some opposition on the part of those unacquainted with his practical business training, he brought to the discharge of his official duties the freshness, purity, energy and daring of youth, fortified by excellent common sense, and the skill and judgment of a practical man of affairs. The extra-territorial authority attaching to the consular office in China, vesting it with judicial as well as business functions, and conferring practically arbitrary power in both civil and criminal cases, added to the gravity of the consul's duties, which were further complicated by the disturbed conditions prevailing at the time.

Mr. Seward's wisdom, justice and energy, in the difficult situation in which he was placed, were publicly commended by both the American and British Ministers, Mr. Burlingame and Sir Frederick Bruce, and by Gen. Gordon; and between these gentlemen and the young American official a life friendship developed. In 1864 Mr. Seward was raised to the rank of Consul-General, and given jurisdiction over all American consuls in the Chinese Empire. He used his powers vigorously, and effected notable reforms that vastly improved the service. About this time he became doyen of the foreign consuls at Shanghai, a position which in various ways

*A portrait of Mr. Seward is presented in this issue of the MAGAZINE as a title illustration.

added to his responsibilities. Offered the post of United States Minister to Corea in 1867, he declined the honor, not deeming the time auspicious for attempting to open relations with "the Hermit Kingdom"; and again in 1870, when asked by his Government to accompany Mr. Low, then Minister to China, upon a mission to Corea, asked to be excused because of the disturbed conditions in China. But always actuated by a sincere desire to promote friendly relations between the United States and Corea, he awaited the opportune moment, and, when it arrived, laid down the lines which led eventually to the cordial state of affairs now existing. In a variety of ways while in the East Mr. Seward showed his fitness for high executive office and ability to cope with difficult, even grave situations.

In 1875 Mr. Seward was appointed Envoy Extraordinary and Minister Plenipotentiary to the Court of Pekin. Although but thirty-five years of age when he was promoted to this, the highest rank in the American diplomatic service at that time, he had abundantly demonstrated his fitness for its duties and entered upon them practically endorsed on all sides. His wise and just conduct of the intercourse between his Government and that of China greatly strengthened the bonds of friendship between the two nations, and vastly raised the Chinese esteem for the American character, intelligence and honesty of purpose. He continued in office until 1881, when he was succeeded by Professor Angell, of Michigan University, who, with two others, was instructed to negotiate with China a treaty under which the American Government might legislate toward the exclusion of the Chinese—a treaty which Mr. Seward had declined to attempt to negotiate.

Besides his many State papers and occasional papers and pamphlets on economic and political subjects, Mr. Seward is the author of a notable work entitled, "Chinese Immigration in its Social and Economic Aspects" (published by G. P. Putnam & Co., New York, 1881).

In 1887 Mr. Seward's splendid abilities as a business man were drawn into the field of underwriting by his election to the vice-presidency of the Fidelity and Casualty Company, of New York, to the presidency of which he succeeded in 1893, since which time he has been the company's active executive director. Although but twenty-six years in operation this corporation has reached a commanding position. It has assets approximating five millions, a net surplus largely in excess of one million, and has paid in losses between fourteen and fifteen millions. At its home office building, one of the large structures in the business section of the metropolis, the company maintains a clerical staff of upwards of five hundred members; and including its agents has an aggregate working force of about three thousand seven hundred and fifty persons.

The labor Mr. Seward has performed in the interests of casualty underwriting has been enormous. A close student and thinker, he has brought to the business all the resources of a strong intellectuality and an analytical mind, and has added the benefits of an unusual experience.

Mr. Seward was president of the North China branch of the Royal Asiatic Society in 1865-6. The degree of Doctor of Laws was conferred upon him by his Alma Mater—"Old Union"—in 1902. He is vice-president of the Willson Aluminum Company, and a member of the American Geographical Society, of the Academy of Political and Social Science, of the Institute of Civics, the New Jersey Historical Society, and of various local associations at Orange, N. J., where he resides, and of the Authors' Reform, Lawyers' and Patria Clubs of the city of New York, and of the Chamber of Commerce of the State of New York, in which he is chairman of the committe on taxation. He married, in 1870, Miss Kate Sherman, of Marysville, California, whose father, a member of the Ohio family of that name, was one of the "Argonauts." They have one son, George Oulton Seward, and three daughters, Marian, Annie Leddell and Emma, all now living.

STATE BANKS—REPORTS OF SUPERVISING OFFICERS.

STATE OF MAINE.—FORTY-SEVENTH ANNUAL REPORT OF THE BANK EXAMINER.

To the Honorable John F. Hill, Governor, and the Executive Council of the State of Maine:

The Bank Examiner has the honor to submit herewith the forty-seventh annual report of the general conduct and condition of all banking institutions created and authorized by the State, for the fiscal year ending on this date.

The number, classes and assets of all State institutions under the supervision of this department are as follows:

Saving banks	51	$80,538,169.30
Trust and banking companies	23	19,914,010.63
Loan and building associations	35	2,932,206.28
Total	109	$103,384,386.21

This is a gain of six in the number of institutions reported, seven new institutions having been organized and added to the list and one liquidated during the year. The total assets have increased $5,640,002, as against $5,048,506 in 1902, being $591,496 in excess of the increase for last year. This unusually large increase is due to the additions coming from the new institutions organized during the year. As a matter of fact, the increase in assets in those institutions organized prior to the present year has been less than during 1902. This is undoubtedly due to the disturbed condition of business affairs; and also to the great local demand for capital which has led those having surplus funds to invest a larger portion of them directly, instead of through the medium of banking institutions. These total assets make a per capita of $148.86 for the inhabitants of the State, as against $140.78 in 1902—a gain of $8.08.

During the present fiscal year the State banking institutions have paid to depositors and stockholders in interest and dividends $2,958,969, as against $2,810,540 last year. This is an increase of $148,428 in the amount of income thus distributed among our people. The total amount paid to depositors in Savings banks, shareholders in loan and building associations and depositors in trust companies, in other words the amount paid in dividends upon the real savings funds in all State banking institutions, has been $2,822,049—an increase of $128,458 from last year.

The aggregate of the reserve funds set apart by these institutions under provisions of law now amounts to $4,531,971, as against $3,290,292 in 1902. This is an increase of $1,241,678, while last year it was but $378,876. This large increase in these funds is unprecedented in the history of these institutions. It clearly shows that they are coming more and more to appreciate the importance of setting apart a portion of their current earnings, in times of business activity, as an insurance against future losses and the reduction of income incident to depressions in business affairs.

The total assets of all kinds of authorized banking institutions in this State are now $153,608,634. This is a gain of $6,753,744 in this class of personal property during the year. In this connection it is interesting to note that the assessed valuation of personal property in the State has increased but $2,633,064 during the same time. An equal distribution of this banking capital would give to each inhabitant of the State $221.19—a gain of $9.78 during the year.

It has been generally understood that for the most of the year all of these institutions have been unusually short of current funds, or cash on hand. It appears, however, that upon the date of these returns they had in "cash on hand and on deposit" $10,504,870, as against $9,667,358 at the corresponding date last year, or $837,512 more in cash assets. While it is impossible to ascertain exactly the amount of actual cash held at these dates—the returns of State institutions not giving the necessary items—a careful computation shows that, including National bank notes, it was at least $3,000,000. This erroneous impression as to the amount of cash carried by the banks has undoubtedly been due to the fact that, because of the disturbed financial conditions, they have kept on hand a larger amount of available funds than usual. Their answer of "no funds" to borrowers has usually meant no funds

which they thought it prudent to invest. They have been forced into this position, too, at a time when new investments could have been made to better advantage than at any other time for several years. Every dollar of assets thus held without investment has reduced the income of the banks and affected their general showing. Thus they have assisted in tiding business over the recent period of distrust and depression. This is but another illustration of the manner in which they have frequently been able to prevent panics in financial affairs. In this way they have served the public to an extent not fully appreciated. The inherent right of the government to restrict and regulate the affairs of public service corporations is everywhere recognized, while private corporations are usually allowed the same freedom granted to natural persons in conducting their business affairs. Yet because of the great influence banks have on business affairs, they are more closely supervised than *quasi* public corporations, notwithstanding they are, strictly speaking, private corporations, conducting a private business. Their stockholders are even placed under a double liability for the protection of the public—a liability not imposed upon the stockholders of other kinds of corporations.

Savings Banks.

There are fifty-one Savings banks now doing business in the State. The following is an exhibit of their resources and liabilities on October 31, 1903, and a comparison with those of October 25, 1902 (cents omitted):

Resources.	*1902.*	*1903.*
United States and District of Columbia bonds	$1,845,200	$767,350
Public funds in Maine	2,828,106	2,953,492
Public funds out of Maine	16,665,151	17,912,878
Railroad bonds in Maine	6,841,128	6,836,076
Railroad bonds out of Maine	24,907,633	26,562,048
Corporation bonds in Maine	4,033,852	4,063,725
Corporation bonds out of Maine	601,237	524,047
Railroad stock in Maine	862,856	878,431
Railroad stock out of Maine	400,852	370,937
Corporation stock in Maine	539,653	452,066
Corporation stock out of Maine	67,972	61,572
National bank stock in Maine	2,111,757	2,028,421
National bank stock out of Maine	84,496	73,336
Other bank stock in Maine	85,450	53,325
Loans on mortgages of real estate	8,212,635	8,804,705
Loans on collateral	3,107,095	3,571,264
Loans to municipalities	641,763	400,878
Loans to corporations	1,038,887	1,076,974
Real estate investment	545,168	621,562
Real estate foreclosure	488,488	427,384
Furniture and fixtures	37,529	42,992
Premium account	489,048	452,237
Expense account	53,159	38,751
Other resources	10,288	4,314
Cash	1,854,409	1,559,398
Total resources	$77,853,815	$80,538,169
Liabilities.		
Deposits	$73,102,924	$75,107,203
Reserve fund	2,777,374	3,578,343
Special reserve fund	20,374	3,391
Profits	1,952,741	1,794,231
Other liabilities	400	55,000
Total liabilities	$77,853,815	$80,538,169
Number of depositors	203,273	209,011
Average to each depositor	$359	$359
Average rate of dividends paid	3.26	3.24
Amount of dividends paid	$2,263,120	$2,352,764
Municipal tax	18,649	18,631
State tax	537,720	485,046

Classification of Deposits.

EXHIBIT A.	*Number of Depositors.*	*Amount of Deposits.*
Deposits of $500 or less	161,315	$18,916,120
Deposits of over $500 and not over $2,000	44,140	45,977,212
Deposits of over $2,000 and not over $5,000	3,343	8,352,206
Deposits of over $5,000	213	1,861,663
	209,011	$75,107,203
EXHIBIT B.		
Deposits of $2,000 or less	205,455	$64,893,333
Deposits of over $2,000	3,556	10,213,869
	209,011	$75,107,203

The present number of depositors is 209,011, while that at the date of the last report was 203,273—a gain of 5,738. The average amount now standing to the credit of depositors is $359.35, as against $359.62 last year.

RESOURCES.

The following table shows the classes, and the amount and percentage of assets in each class, now held by Savings banks, and, for the purpose of comparison, the percentage of those holdings in 1902 and 1893 (cents omitted):

RESOURCES.	*1903.*		*1902.*	*1893.*
	Amount of each class.	*Percentage of each class.*	*Percentage of each class.*	*Percentage of each class.*
U. S. and District of Columbia bonds	$767,850	.95	2.37	1.15
Public funds in Maine	2,953,492	3.67	3.63	1.77
Public funds out of Maine	17,912,873	22.24	21.41	28.45
Railroad bonds in Maine	6,836,076	8.49	8.79	7.00
Railroad bonds out of Maine	26,562,048	32.98	31.99	19.57
Corporation bonds in Maine	4,063,725	5.04	5.18	5.36
Corporation bonds out of Maine	524,047	.65	.77	.72
Railroad stock in Maine	878,431	1.09	1.11	.84
Railroad stock out of Maine	370,937	.46	.52	.72
Corporation stock in Maine	452,066	.56	.69	.60
Corporation stock out of Maine	61,572	.08	.09	.09
National bank stock in Maine	2,028,421	2.52	2.71	4.23
National bank stock out of Maine	73,336	.09	.11	.54
Other bank stock in Maine	53,325	.07	.11	.18
Loans on mortgages of real estate	8,804,705	10.93	10.55	12.45
Loans on collateral	3,571,264	4.43	3.99	9.81
Loans to municipalities	400,878	.50	.82	.60
Loans to corporations	1,076,974	1.34	1.33	1.88
Real estate investment	621,562	.77	.70	.79
Real estate foreclosure	427,384	.53	.63	.87
Furniture and fixtures	42,992	.05	.05	.05
Premium account	452,237	.56	.63	.73
Expense account	38,751	.05	.07	.02
Other resources	4,314	.01	.01	.01
Cash	1,559,398	1.94	1.74	1.57
Total	$80,538,169	100.00	100.00	100.00

The principal changes for the year are: a decrease of $1,077,850 in Government bonds; and an increase of $1,247,721 in public funds out of Maine; $1,654,414 in railroad bonds out of Maine: $592,069 in loans on mortgages of real estate; and $464,169 in loans on collateral. Other minor changes account for the difference between the $2,684,353 increase in total assets and the summary of the items stated.

Ten years ago the percentage of loans on mortgages of real estate was 12.45 while now it is but 10.93, yet during that time the amount has increased from $7,061,638 to $8,804,705.

This increase of $1,743.066 in mortgage loans carried by Savings banks during a period when such loans have been generally decreasing, as well as the $1,056,238 increase in mortgage and collateral loans during the present year, seem to answer conclusively the assertion frequently made that the funds of Savings banks are not available for local use among our people.

So long as the financial conditions and the laws regulating investments by Savings banks remain as now, the largest holdings of these banks must be in public funds out of Maine and railroad bonds out of Maine. These two items now constitute 55.22 per cent. of all the assets of

these banks. No institution confining its investments entirely to any one class would be as likely to prosper as under the present policy of distributing its assets among these various holdings. For this reason each institution should endeavor so to place its funds as to keep a due proportion among these various classes.

Market Values.

The following is an exhibit of the reserve, undivided profits and estimated market value of resources above liabilities, for each of the past five years, together with other totals convenient for comparison therewith (cents omitted):

	1899.	*1900.*	*1901.*	*1902.*	*1903.*
Estimated market value of resources above liabilities	$8,258,819	$8,916,887	$9,940,301	$10,816,944	$10.198,908
Reserve fund	2,243,454	2,321,685	2,468,025	2,777,874	3,578,348
Undivided profits	1,233,605	1,480,769	1,837,044	1,952,741	1,794,231
Total book surplus	$3,477,059	$3,802,455	$4,305,069	$4,730,116	$5,372,575
Estimated market value above book surplus	$4,781,259	$5,114,432	$5,635,231	$6,086,828	$4,821,333
Premium account	508,412	635,416	497,006	489,048	452,237
Total dividend paid	2,091,543	2,133,783	2,204,022	2,263,120	2,352,764
Deposits	64,009,386	67,240,439	70,293,938	73,102,924	75,107,203

Over-Capitalization and its Injurious Effcts on Savings Bank Investments.

The serious depression in the values of all kinds of securities during the year, though decidedly improved at the date of this report, has been occasioned largely by a reaction in such industrial and railroad stocks as have been grossly over-capitalized. Speculators, under the guise of promoters, during the prosperous times of the past few years, have floated an immense amount of such stocks. The unusually large earnings resulting from the prosperous conditions of business of all kinds have in many cases made dividends possible upon such stocks, sufficient to tempt investors. But in many instances promoters have been able to place such securities simply upon the strength of the general confidence incident to the prosperous conditions of business. It is evident that these operations have not reduced the amount of the actual wealth of the country, although in many cases they have resulted in serious loss to investors. These results are unfortunate only as affecting unsuspecting honest investors. Those who knowingly speculate in such stocks need but little sympathy, and their transactions one with another do not reduce the aggregate wealth of the country and should have but little effect upon general business. The real and serious injury to the public comes from the effect of these transactions upon the honest securities and legitimate business of the country. There has been nothing in the general financial and industrial conditions during the year to occasion depression or disturbance. As a matter of fact, business apparently has never been better than now, labor is employed and well paid and there seems to be an abundance of capital to carry on all legitimate enterprises. The trouble is that the operations of these promoters have finally aroused the suspicion and distrust of conservative investors generally, making it more difficult to secure capital for legitimate enterprises and thus indirectly affecting business conditions and especialy the value of securities. Again, the large amount of money required and used by these operators, together with this distrust on the part of capitalists, have caused a severe strain upon the financial resources of the country and led to a material advance in interest rates and to the consequent falling off in the market price of all securities, including even those that could not be directly affected by the conditions suggested.

Fortunately, the Savings banks have been by law largely restricted in their investments of deposits to those stocks and bonds not directly affected by these conditions. All of their securities have, however, felt the effects of this depreciation, and their "estimated market value of resources above liabilities" has been materially reduced thereby. At the present time the stocks and bonds held by the Savings banks amount to $63,537,704.92. Notwithstanding these consist largely of securities that are affected as little as any by ordinary depressions in the money market, the decrease in their market value from last year is approximately $3,000,000. It is true that these conditions have only reduced the market value of their securities, and thus the apparent present standing of the Savings banks. But while they will ultimately receive the principal and interest in full upon their securities, and thus obtain the same results, their present standing is affected to the extent named by the existing conditions, as well as their ability to realize upon their assets if such a thing should become necessary. It appears,

therefore, that the assets of the Savings banks of the State of Maine, in other words, the interests of the 209,011 depositors therein, have suffered to the extent of at least $8,000,000, that speculators and promoters might have the opportunity of manipulating the stock market to their profit. Were it possible to ascertain or estimate as easily the effects of these conditions upon other investors, and upon all other legitimate business, as upon this class of institutions, we should find the tax thus incurred an enormous one.

It is often said that "watered stocks will soon find their proper level." If they would, without causing such depression in legitimate business, then would they do comparatively little harm. It is amazing, however, that the great mass of our people, who have no interest in such manipulations, who cannot be benefited thereby, and who certainly suffer serious loss therefrom, will permit them to continue.

In the report of this department for 1900, attention was called to this matter as one seriously affecting investment securities. The present conditions emphasize the statement then made, and show to what a degree the manipulation of watered stocks, under the authority of the present laws, is influencing the general business of the country. Present conditions ought to teach a lesson that will lead to radical changes in our corporation laws.

It is commonly claimed that such matters will adjust themselves without regulation of law. This principle is not, however, applicable to the case in hand. Corporations can only exist through legislative authority. The right to issue stock is not a natural and inherent right of any individual or association of persons. It is a privilege exercised only under authority of law, and a law which permits it is as unwise as though it directly authorized such issue. No one will contend that a law for the organization and conduct of corporations, expressly giving them the power of issuing, say $100,000 of capital stock for each $1,000 of capital actually paid in, would be wise, yet this is substantially the effect of the present laws in nearly all of the States. While such authority is not contained in the statute in express terms, and while no Legislature would enact laws containing such provisions, yet in many States the laws give such authority by implication or permit this practice at the will of the speculators.

In addition to the depreciation in the value of the assets of the Savings banks, the present conditions have indirectly affected them to their disadvantage in another way. Commercial banks ordinarily invest a large portion of their assets in call and short time loans. They are, therefore, able within a period of, say six months or one year, to take advantage of changes in interest rates. When rates are advancing as at the present time, they are given a great advantage over the Savings banks, which have a large portion of their funds invested in securities that will not mature for a term of years. The result is that interest rates upon private investments, and the dividends paid by other classes of banks, have advanced, while in the Savings banks they must remain substantially the same. For these reasons, if the present rates should prevail, it would be three or four years, at least, before the Savings banks could safely advance their rates of dividends. This would lead to the placing elsewhere of much of the money that would otherwise be deposited in Savings banks, to the embarrassment of these banks and to the damage of the State in the way of taxes received therefrom. We have frequently called attention to this fact in the reverse condition that has existed for a number of years. The gradual reduction in interest rates, during the period preceding the present year, has enabled the Savings banks to pay larger dividends than they could have paid upon the rates prevailing at the time, because of the benefits received from old investments made under higher interest conditions.

Dividends.

The following table gives the rates and amounts of dividends paid by the Savings banks during the year covered by this report, and a comparison with those of the previous fiscal year (cents omitted):

Rate of Dividend.	*Number of banks.*		*Amount of dividends.*	
	1902.	*1903.*	*1902.*	*1903.*
4 per cent. paid by	2	2	$12,743	$3,961
3¾ per cent. paid by	2	....	48,559	....
3½ per cent. paid by	18	20	1,425,430	1,608,599
3¼ per cent. paid by	3	....	142,495	....
3 per cent. paid by	26	29	633,890	740,204
3.24 average rate, 1903.	51	51	$2,263,120	$2,352,764

As explained elsewhere, there has been but little increase in the earnings of the Savings banks during the year resulting from the advance in interest rates. Even should the present

rates continue it will be several years before the income of the banks will be increased sufficiently to warrant higher rates of dividends. In the meantime they should not anticipate any such possible increase of earnings, but pay only such dividends as the profits actually collected will warrant. This is the only safe policy to follow, especially in view of the fact that interest rates are likely soon to drop to those prevailing last year.

Taxes.

The amount of taxes paid the State for the year has been $485,046 as against $537,720 last year—a decrease of $52,673. This is due to the reduction in the rate made at the last session of the Legislature of approximately one-eighth of one per cent. for the year. Under the provisions of the present act taxing Savings banks, there will be a further reduction taking effect April 1, 1904. After that date the tax upon savings deposits in trust companies and in Savings banks will be substantially the same, and the revenues of the State will not be materially affected by the placing of these funds in either class of these institutions. These funds are not, however, liable to pay a direct tax to the State when deposited in the National banks, although legally liable to municipal taxation if found and listed by municipal assessors. Should the National banks continue in this business, and obtain as large a proportion of the annual savings of our people as during the present year, the time when the amount of the tax will equal that paid in 1902 is likely to be postponed considerably beyond that estimated when the enactment of the present law was under consideration. The further reduction in rate will probably reduce the amount of tax next year to approximately $425,000.

Trust and Banking Companies.

There are now twenty-three trust and banking companies doing business in this State, six having been added to and one dropped from the list during the year.

In the following table is presented a statement of the resources and liabilities of the trust and banking companies as of October 31, 1903, and a comparison with those of October 25, 1902 (cents omitted):

Resources.	*1902.*	*1903.*
Demand and time loans	$7,860,608	$9,084,171
Mortgages of real estate	1,420,801	1,545,540
Stocks and bonds	5,135,097	6,002,151
Trust investments	143,613	96,392
Sinking fund investments	614,431	862,447
Real estate owned	216,079	234,745
Due from other banks and bankers	2,547	3,995
Expense account	26,454	38,501
Furniture and fixtures	108,000	129,161
Cash on hand and on deposit	1,482,899	1,890,735
Other resources	25,913	26,167
Total resources	$17,035,941	$19,914,010
Liabilities.		
Capital stock	$1,676,800	$2,022,000
Surplus fund	446,150	885,400
Undivided profits	769,755	575,426
Time deposits	5,265,675	6,518,023
Demand deposits	7,171,196	7,582,878
Certificates of deposit	562,880	680,152
Trust department	165,794	96,392
Sinking funds for corporations	671,349	876,499
Unpaid dividends	773	1,062
Deposits for coupons	39,907	64,354
Treasurers' checks outstanding	26,968	21,203
Due to other banks and bankers	40,205	182,989
Bills payable	96,854	388,027
Other liabilities	99,608	74.649
Total liabilities	$17,035,941	$19,914,010
Number depositors, time deposits	13,634	19,124
Number depositors, demand deposits	10,643	11,053
Number depositors, certificates of deposits	1,935	1,447
Total number of depositors	26,212	31,624
Amount of dividends on stock	$116,950	$136,920
Amount of interest paid on time deposits	164,209	238,079
Amount of interest paid on demand deposits	121,221	94,536
Total profits distributed	$402,380	$469,536
Average rate of dividends paid on stock	7.50 p. c.	7.94 p. c.
Average rate of interest on time deposits	3.87 p. c.	3.23 p. c.

The total number of depositors in these institutions is 31,624, while at the date of the last report they numbered 26,212—a gain of 5,412. Of these accounts, 20,346 are reported as liable, and 11,278 as not liable, to State taxation under present law. The total profits distributed by these institutions during the year have been $469,536, while in 1902 they were $402,880.

The increase in resources is made up principally of $1,223,568 in demand and time loans, and $367,053 in stocks and bonds.

State Tax.

In 1901 a tax of one-half of one per cent. per annum was laid upon the average amount of all "time interest-bearing deposits" held by these institutions. In 1903 this law was amended so as to tax all "time deposits and deposits bearing interest at three per cent. or more per annum." The amount of this tax for 1902, under the first provision, was $22,663, and in 1903, under the amended provision, $37,174, being an increase of $14,510. While this gain is in some degree due to the increase in deposits, it is more largely due to the fact that the amended law includes certain deposits that were not liable to taxation under the first provision.

Respectfully submitted,

FREMONT E. TIMBERLAKE, *Bank Examiner.*

BANKING DEPARTMENT, AUGUSTA,
December 1, 1903.

CONNECTICUT.—BANK COMMISSIONERS' REPORT.

To His Excellency, Abiram Chamberlain, Governor:

The Bank Commissioners have the honor to submit their annual report with the annual statements of the Savings banks as of October 1, 1903; also with the statements of the State banks and trust companies, showing their condition at the close of business September 9, 1903. There are ninety Savings banks, and the following statement gives an abstract of their assets and liabilities as compared with October 1, 1902 (cents omitted):

ASSETS.	*October 1, 1903.*	*October 1, 1902.*	*Increase or decrease.*
Loans on real estate	$71,398,064	$70,204,429	$1,193,635
Loans on collateral security	10,757,879	8,371,504	2,386,375
Loans on personal security only	8,093,641	8,730,471	*636,829
Invested in United States bonds	270,700	339,700	*69,000
Invested in State, town, city, school district and corporation bonds and obligations	43,224,689	42,699,138	525,550
Invested in railroad stocks and bonds	75,730,154	69,461,280	6,268,873
Invested in bank stocks	7,214,957	7,242,675	*27,717
Real estate owned, including banking houses	3,860,472	3,934,279	*73,806
Miscellaneous assets	2,548,418	2,367,509	180,908
Cash on hand and in banks	6,100,799	6,541,909	*441,109
Total assets	$224,199,772	$214,892,897	$9,306,875
LIABILITIES.			
Deposits	$212,177,974	$203,522,225	$8,655,748
Surplus	7,942,873	7,554,298	388,575
Interest and profit and loss	4,054,018	3,791,747	262,270
Other liabilities	24,906	24,625	280
Total liabilities	$224,199,772	$214,892,897	$9,306,875

* Decrease.

Dividends.

The rate per cent. of dividends paid the last year is shown in the following table:

Number of banks.	*Rate per cent.*	*Amount of Dividends.*	*Amount of deposits with dividends added.*
57	4	$4,970,287.10	$133,488,552.55
6	3¾	399,344.39	11,235,673.69
24	3½	2,204,063.12	66,559,163.14
3	0	....	894,584.99
Total, 90	....	$7,573,694.61	$212,177,974.37

Twenty discriminate against large deposits.

The miscellaneous items are as follows (cents omitted):

Miscellaneous Items.

Items.	October 1, 1903.	October 1, 1902.	Increase or decrease.
Number of depositors having less than $1,000	399,372	384,872	14,500
Amount of such deposits	$84,249,605	$80,998,648	$3,250,956
Depositors having $1,000 and not over $2,000	41,772	40,281	1,491
Amount of such deposits	$55,581,887	$53,838,726	$1,743,161
Depositors having $2,000 and not over $10,000	19,897	18,935	962
Amount of such deposits	$67,431,262	$64,135,287	$3,295,974
Depositors having over $10,000	346	319	27
Amount of such deposits	$4,915,218	$4,549,562	$365,655
Total number of depositors	461,387	444,407	16,980
Total amount of deposits	$212,177,974	$203,522,225	$8,655,748
Largest amount due a single depositor	64,639	62,287	2,351
Average amount due depositors	459	457	1
Number accounts opened during the year	69,290	65,640	3,650
Number accounts closed during the year	51,021	47,022	3,999
Income received during the year	$10,304,663	$9,909,383	$395,279
Dividends declared during the year	7,573,694	7,286,909	286,785
Amount deposited, including interest credited	48,082,175	48,139,291	*57,116
Amount withdrawn during the year	39,426,702	37,863,643	1,563,058
Amount past-due paper	50,304	65,215	*14,910
Amount of losses charged off during the year	239,646	126,347	113,298
Expenses, including salaries	551,939	519,369	32,569
Amount of assets yielding no income	743,414	854,989	*111,575
Largest amount loaned to one individual, company, society or corporation	350,000	400,000	*50,000

* Decrease.

State Banks and Trust Companies.

The number and the amount of capital stock of the State banks remain the same, but the number of trust companies is increased two, and the capital stock increased $230,000.

Five reports were called for during the year showing the condition at the close of business on November 25, 1902, February 6, April 9, June 9 and September 9, 1903. An abstract of these reports follows the statements of the banks and trust companies in detail.

An abstract of the reports for September 9, 1903, showing the total assets and liabilities, will be found below (cents omitted):

State Banks.

Assets.		Liabilities.	
Loans and discounts	$5,958,398	Capital stock	$2,240,000
Overdrafts	21,072	Surplus	445,000
Stocks and securities	2,408,576	Undivided profits	587,438
Real estate, furniture and fixtures	185,190	Due to banks and bankers	125,123
Due from approved reserve agents	967,230	Dividends unpaid	2,537
Due from other banks and bankers	114,950	Deposits	6,881,759
Specie and currency	546,436	Other liabilities	5,000
Checks and cash items	82,049		
Other assets	3,950		
Total assets	$10,286,859	Total liabilities	$10,286,859

Trust Companies.

Assets.		Liabilities.	
Loans and discounts	$9,178,542	Capital stock	$2,289,600
Overdrafts	51,318	Surplus	855,863
Stocks and securities	4,472,932	Undivided profits	611,883
Real estate, furniture and fixtures	644,338	Due to banks and bankers	110,758
Due from approved reserve agents	1,087,343	Dividends unpaid	667
Due from other banks and bankers	471,620	Deposits	12,341,182
Specie and currency	607,115	Other liabilities	423,383
Checks and cash items	91,341		
Other assets	28,784		
Total assets	$16,633,338	Total liabilities	$16,633,338

Respectfully submitted,

Charles H. Noble,
George F. Kendall,
Bank Commissioners.

Hartford, December 31, 1903.

NEW YORK SAVINGS BANKS AND TRUST COMPANIES.

ANNUAL REPORT OF THE SUPERINTENDENT OF BANKS FOR THE YEAR 1903.

STATE OF NEW YORK, BANKING DEPARTMENT,
ALBANY, February 23, 1904.

To the Legislature:

Eighty-one trust companies made report to the Banking Department as of the morning of January first, 1904, as against seventy-seven the year before. During the year the Atlantic Trust Company, of New York, was merged into the Metropolitan Trust Company, and the Manufacturers', of Brooklyn, into the Title Guarantee and Trust Company, of New York, and these new trust companies were chartered:

NAME AND LOCATION.	*Capital.*	*Paid-in surplus.*
Bankers' Trust Company, New York	$1,000,000	$500,000
Citizens' Trust Company, Utica	200,000	50,000
Commonwealth Trust Company, Buffalo	500,000	500,000
County Trust Company, White Plains	100,000	50,000
Mount Vernon Trust Company, Mount Vernon	200,000	200,000
Syracuse Trust Company, Syracuse	300,000	300,000
	$2,300,000	$1,600,000

In the same period five companies increased their capital by an aggregate of $3,875,000, issuing the new stock at a premium which added substantially to their surplus, and two companies reduced their capital from one million dollars each to five hundred thousand dollars each. The surplus paid in during the calendar year upon the organization of new companies and in connection with increases of capital reached a total of over thirteen million dollars, while the total net increase for the year in these same items, as reported by all of the companies, is about a half a million dollars less. It would seem, therefore, that but for such payments the combined surplus and undivided profits of the eighty-one companies would have shown a very considerable loss for the year. That statement measures in part, undoubtedly, the cost to this class of institutions of the depreciation in stock and bond values which has been so general and severe. How well the companies have met such losses—charging the shrinkage to profit and loss, so that their statements should reflect their condition with substantial accuracy—is evidenced by the fact that, estimating their investments at prices current on the first of January, their combined surplus and undivided profits were over a million and a half dollars larger than the figures at which they are carried on the books of the respective companies. That signifies heroic treatment as to the matter of losses, and will, I imagine, prove a surprise to the public. Nor can it fail to strengthen confidence, and it comprehends the assurance of a corresponding gain in the companies' profit accounts when the security markets take a turn upward.

The companies making report on the first of January are herewith listed, together with the capital and the combined surplus and undivided profits of each, both at book and market values (cents omitted):

NAME AND LOCATION.	*Capital.*	*Surplus and undivided profits at book values.*	*Surplus and undivided profits at market values.*
Adirondack Trust Co., The, Saratoga Springs	$100,000	$56,955	$56,178
Albany Trust Company, Albany	300,000	231,887	157,607
Bankers' Trust Company, New York	1,000,000	557,064	580,971
Binghamton Trust Company, Binghamton	300,000	201,058	186,826
Bowling Green Trust Company, New York City	2,500,000	2,790,811	2,706,010
Broadway Trust Company, New York City	700,000	419,142	419,142
Brooklyn Trust Company, Brooklyn	1,000,000	1,885,077	1,851,075
Buffalo Loan, Trust and Safe Deposit Co., Buffalo	200,000	100,000	91,063
Central Realty Bond and Trust Co., New York City	2,000,000	7,850,150	7,417,755
Central Trust Company, New York City	1,000,000	12,462,868	13,332,919

NAME AND LOCATION.	Capital.	Surplus and undivided profits at book values.	Surplus and undivided profits at market values.
Chautauqua County Trust Company, Jamestown...	$250,000	$48,591	$47,177
Chemung Canal Trust Company. Elmira.............	600,000	475,538	475,538
Citizens' Trust Company of Utica, Utica.............	200,000	60,160	61,478
City Trust Co. of New York City, New York City...	1,000,000	1,769,795	1,680,560
Colonial Trust Company, New York City............	1,000,000	1,468,871	1,468,871
Columbus Trust Company, Newburgh................	100,000	86,730	83,802
Commonwealth Trust Company, Buffalo.............	500,000	516,601	523,872
Commonwealth Trust Company, New York City	500,000	14,406	20,141
Continental Trust Company, New York City........	1,000,000	3,400,045	3,400,045
County Trust Company, White Plains................	100,000	50,447	47,869
Eastern Trust Company, New York City.............	1,000,000	972,282	967,595
Empire State Trust Company, New York City.......	500,000	504,143	504,143
Equitable Trust Co. of New York, New York City..	3,000,000	9,087,763	9,040,054
Farmers' Loan and Trust Company, New York City	1,000,000	6,934,388	7,015,404
Fidelity Trust Company of Buffalo, Buffalo.	500,000	600,000	507,020
Fidelity Trust Company, Rochester	200,000	146,924	188,476
Fifth Avenue Trust Company, New York City......	1,000,000	1,300,702	1,307,599
Flatbush Trust Company, Brooklyn..................	200,000	145,000	150,879
Franklin Trust Company, Brooklyn..................	1,000,000	1,552,973	1,562,420
Genesee Valley Trust Company, Rochester	300,000	76,700	53,688
Glens Falls Trust Company, Glens Falls..............	100,000	88,821	86,796
Guaranty Trust Co. of New York, New York City..	2,000,000	5,102,577	5,102,577
Guardian Trust Company, New York City...........	500,000	530,260	525,695
Hamilton Trust Company, Brooklyn.................	500,000	873,171	874,744
Holland Trust Company, New York City	500,000	*114,021	*114,021
Ithaca Trust Company, Ithaca.......................	100,000	88,378	88,378
Kings County Trust Company, Brooklyn	500,000	1,295,645	1,302,207
Knickerbocker Trust Company, New York City.....	1,000,000	2,356,141	2,356,141
Lincoln Trust Company, New York City.............	500,000	500,000	530,000
Long Island Loan and Trust Company, Brooklyn...	1,000,000	1,434,234	1,488,218
McVickar Realty Trust Company, New York City ..	500,000	505,948	459,806
Manhattan Trust Company, New York City.........	1,000,000	1,801,273	1,845,650
Mercantile Trust Company, New York City.........	2,000,000	6,190,900	6,190,900
Merchants' Trust Company, New York City.........	500,000	1,239,753	1,276,176
Metropolitan Trust Company, New York City	2,000,000	5,958,068	5,956,068
Morton Trust Company, New York City.............	2,000,000	6,086,789	6,086,789
Mount Vernon Trust Company, Mount Vernon.....	200,000	212,082	214,364
Mutual Alliance Trust Company, New York City...	500,000	518,227	507,057
Mutual Trust Co. of Westchester Co., Port Chester.	300,000	60,889	10,228
Nassau Trust Co. of the City of Brooklyn, The......	500,000	472,231	506,108
New Rochelle Trust Company, New Rochelle........	100,000	31,770	28,870
New York Life Insurance and Trust Co., N. Y. City.	1,000,000	2,589,737	3,927,745
New York Security and Trust Co., New York City..	1,000,000	4,278,423	4,278,423
North American Trust Company, New York City...	2,000,000	3,143,606	3,116,363
Orange Co. Trust and Safe Deposit Co., Middletown.	100,000	129,805	134,704
People's Trust Company, Brooklyn..................	1,000,000	1,573,102	1,530,436
Poughkeepsie Trust Company, Poughkeepsie.......	125,000	202,001	194,151
Real Estate Trust Company, New York City.........	500,000	647,008	655,823
Rochester Trust and Safe Deposit Co., Rochester....	200,000	775,328	726,951
Salamanca Trust Company, Salamanca...............	100,000	19,370	18,707
Schenectady Trust Company, Schenectady	250,000	104,063	101,065
Security Trust Company of Rochester, Rochester ..	200,000	347,154	347,154
Security Trust Company of Troy, Troy.............	200,000	239,434	207,554
Standard Trust Co., The, New York City............	1,000,000	892,888	906,724
Syracuse Trust Company, Syracuse..................	300,000	305,277	307,777
Title Guarantee and Trust Company, New York....	4,375,000	4,405,035	4,417,244
Troy Trust Company, The, Troy......................	200,000	111,019	96,889
Trust Company of America, The, New York City...	2,500,000	3,338,418	3,074,850
Trust and Deposit Company of Onondaga, Syracuse	100,000	249,565	249,565
Union Trust Company of Albany, N. Y., Albany....	250,000	307,061	309,858

*Deficit.

Name and Location.	Capital.	Surplus and undivided profits at book values.	Surplus and undivided profits at market values.
Union Trust Company of Jamestown, Jamestown...	$100,000	$75,228	$75,560
Union Trust Co. of New York, New York City......	1,000,000	7,961,531	7,662,551
Union Trust Company of Rochester, Rochester......	200,000	105,172	98,547
United States Mortgage and Trust Co., N. Y. City...	2,000,000	3,415,855	3,498,796
United States Trust Company, New York City......	2,000,000	12,210,639	12,426,905
Utica Trust Company, Utica	200,000	302,765	325,022
Van Norden Trust Company, New York City........	1,000,000	1,101,224	1,108,128
Washington Trust Company, New York City........	500,000	971,992	952,512
Westchester Trust Company, Yonkers	300,000	128,180	117,873
Williamsburgh Trust Company, Brooklyn...........	700,000	535,470	428,476
Windsor Trust Company, New York City............	1,000,000	475,042	475,042
	$63,750,000	$141,504,561	$143,030,334

Resources and Liabilities of Trust Companies.

A summary of the reports of the eighty-one trust companies as of the first day of January, 1904, appears herewith in comparison with the like summary of the reports of seventy-seven companies one year before (cents omitted):

Resources.	*1903.*	*1904.*
Bonds and mortgages..................................	$52,385,360	$59,584,679
Stock investments..................................	219,378,946	225,886,955
Loaned on collaterals..................................	554,961,229	510,928,626
Loaned on personal securities, including bills purchased..	42,233,160	56,710,963
Overdrafts..	60,398	41,123
Due from banks and brokers........................	5,449,669	6,641,207
Real estate	12,179,706	14,376,379
Cash on deposit in banks or other moneyed institutions..	128,166,652	125,392,247
Cash on hand..	10,493,236	26,894,136
Other assets..	14,648,265	13,829,507
	$1,039,956,625	$1,039,735,828
Liabilities.		
Capital stock paid in, in cash........................	$60,575,000	$63,750,000
*Surplus fund, book value........................	82,549,877	96,788,913
*Undivided profits, book value.....................	47,546,278	44,705,648
Deposits in trust..................................	205,341,290	174,342,684
General deposits..................................	529,001,547	541,091,298
Due to trust companies..............................	32,888,570	35,302,290
Due to savings banks..............................	34,684,164	35,738,100
Due to banks and bankers........................	21,882,282	20,707,818
Other liabilities..................................	25,487,613	27,299,125
	$1,039,956,625	$1,039,735,828
Supplementary.		
Debts guaranteed and liability thereon.............	$1,750	$23,182
Interest, commission and profits received during the year..	55,272,116	51,073,041
Interest paid and credited to depositors during the year..	22,806,922	23,857,970
Expenses for the year..............................	6,718,012	7,637,751
Dividends on capital declared for the year.........	9,309,500	9,049,852
Taxes paid during the year........................	1,944,944	2,193,710
Deposits made by order of court....................	3,739,242	3,612,637
Total of deposits upon which interest is allowed at this date..	757,202,621	744,279,272
Amount invested in bonds and mortgages during the year..	60,962,710	74,668,400
Amount received from bonds and mortgages paid or sold during the year............................	54,046,720	66,087,416

* Combined surplus and undivided profits for 1904 on book value of stocks and bonds, $141,504,501; on market value, $143,030,334. The surplus and undivided profits, as given in table for 1903, are on market values.

The resources for the two years are remarkably close together in their aggregates, though, of course, but for the business of the new companies, the loss since January, 1903, would be larger than the figures themselves make it appear. A comparison with the July reports is still less favorable resources having decreased over one hundred and six and a half million dollars in six months. Deposits fell off in the same time one hundred and seven and one half millions. More than the entire net decrease occurred in the companies located in the Borough of Manhattan, in the City of New York, where the deposits decreased more than one hundred and thirteen millions. In the companies in the Borough of Kings there was a slight increase, and in those located outside of the City of New York the gain was about five and a half millions. Various explanations are assigned for the decrease in the Borough of Manhattan, the three most probable being, that because of the low rates prevalent in Wall street for call loans, the companies themselves discouraged interest-bearing deposits; that funds were withdrawn in many instances to be put into permanent investments at the prices which seemed so attractive a few months ago; and that large interests which had been accustomed to carry heavy balances with the trust companies found it expedient, under prevailing conditions in the loan markets, to use such moneys for improvements and for purchase of equipment instead of having recourse to bond issues.

In view of what has preceded, the statement that the trust companies were less prosperous in 1903 than in 1902 is almost superfluous. In fact, their gross earnings decreased $4,199,075, while their expenses increased $2,219,555.06, reducing, in comparison with the previous year, the amount applicable to dividends or for addition to surplus account by $6,418,630.06. Besides, the dividends declared were $259,648 less than for the preceding year. But even at this, the net earnings for 1903 (though without allowance for losses or for depreciation in investments) were $17,883,608.40, or $8,383,756.40 in excess of dividend distributions. Aside from the companies of comparatively recent organization, all but two or three paid dividends for the year ranging from the rate of three per cent. to eighty per cent. on their capital. This calculation does not take into consideration, however, the additional investment carried as surplus, which, in nearly all companies formed laterally, has been equal to the capital, while in some of the older institutions the accumulation of earnings undivided is several times larger than their capital.

Apart from the Holland Trust Company, which is in liquidation, and whose annual expenses exceed its income nearly three times, and excepting also two or three companies which have suffered through special causes, the trust companies of the State, though not making the very large profits that it was their good fortune to earn in the previous year, are nevertheless strong and prosperous. The eagerness to organize new institutions of this class has abated within the year, and where fifteen were chartered in 1902, and four were in course of organization at this time last year, the net increase in the number in 1903 was but four, and only two are now in process of organizing. Moreover, four companies in New York are now taking merger proceedings, the McVickar and Empire State to form one company to be known as the Empire Trust Company; and the Continental and the New York Security Trust Comprny to consolidate under the latter name, with their combined capital increased to three million dollars, their surplus to perhaps three times that sum, and with a board of directors representing many most important interests.

The Savings Banks.

One Savings bank, the Maiden Lane, in New York city, was authorized by me during the year 1903. Its trustees have executed a bond that they will defray all of the expenses of the institution until such time as its earnings shall be sufficient to meet the cost of operation after paying three per cent. to its depositors. I have authorized no Savings bank in the past eight years except upon similar conditions, and but five in all. A new institution of this class is at a great disadvantage, having to build a business against most formidable competition. The older Savings banks, besides having gained public confidence, have accumulated surpluses in considerable amounts, and thus have these funds, as well as the sums designated, "due depositors," to contribute to their earnings. Even at this, few of them are able to pay dividends in excess of three and one-half per cent, and a half dozen do not pay more than three per cent. It would be a calamity if any Savings bank should fail—serious not merely to that particular institution's depositors, but to the entire system, which such a misfortune would tend to discredit in the public mind. For these reasons it is my practice, before permitting a Savings bank to start, to require that convincing testimony be supplied that it will probably succeed.

A comparison of the reports of the Savings banks for the first of January, last, with those of the year preceding shows a large growth during the year by the institutions in question, but far short of that in 1902. The total amount deposited was larger by nearly ten million dollars than ever before in the like period, but market, industrial and labor conditions during a part of the year made it a fact also that the withdrawals were the largest ever known—the excess over 1902 having been more than twenty-two million dollars. But still the depos-

its exceeded the withdrawals by more than seventeen millions, which, with the interest credits, carried the gain for the year in the amount due depositors to close upon fifty-four million dollars, or to the total of $1,131,281,943.46. The total resources now aggregate $1,238,800,468.61, or about forty-seven and a half millions more than a year ago. The discrepancy in these two increases represents, of course, whatever losses the Savings banks may have incurred, the depreciation in the market value of their bond holdings, and possible payments in a few instances of dividends in excess of net earnings. It is not determinable accurately what the shrinkage has been in the market value of the bond investments of the Savings banks, but some comprehension of the amount may be had from the fact that, while these investments have increased twenty-four and a half million dollars at par value, the gain at market value has been only thirteen and a third million dollars, and the combined surplus of all the banks upon market valuations has decreased six and a quarter millions, while the par value surplus has increased nearly five millions.

The gain for the year in the amount due depositors, though ten million under that made in 1902, and seventeen millions under that for 1899, is yet six millions greater than was ever shown in any year prior to 1897; and double that for any year in the history of the system prior to the one last named, except two in the early seventies, and except also the years 1892 and 1895. When it is considered that, as the officers of Savings banks understand the fact to be, the larger withdrawals were really investment funds, and were diverted from the banks to be put into securities at last summer's low prices, the showing does not suffer materially even in comparison with the record year 1899. The closing of such accounts, moreover, is to be held to be a gain rather than a loss, for it was not to be the custodian of the funds of capitalists that the Savings banks were authorized, and vested with special privileges and tax exemptions.

The number of open accounts increased by almost exactly ninety thousand during the year, or ten thousand under the increase in 1902. Quite possibly the disturbed labor conditions in many of our cities may account for this falling off.

The year's expenses of all the Savings banks, as the various banks have been accustomed to classify expense payments, aggregated $3,570,046.07, which is an increase of $157,181.61 over 1902. A portion of this increase is attributable to the larger franchise tax paid, equal to one per centum on the par value surplus of the banks, such tax having amounted in 1903 to $771,-474.94 or $34,249.74 more than 1902. Not all of this tax, however, is returned as expense, some of the banks carrying the item under another head. Analyzing each report, I find items not listed as expense, but which I am clearly of the opinion should be so listed, that aggregate $358,703. Most of this sum is made up of payments on account of the franchise tax. Joining this to the expense recognized by the banks themselves as such, the total becomes $3,928,749. At this sum it includes the entire franchise tax, all taxes paid locally on banking houses, insurance on same, all rents for banking rooms, fees paid for appraisals of real property on which loans are made, advertising, fuel and lights, purchase of supplies, assessments toward defraying the expenses of the Banking Department, and all salaries paid. Upon the former basis employed to ascertain expenses, the percentage to resources figures at $2.88+ per one thousand dollars, or at practically the same ratio as last year. Upon the basis of including all expense payments, it is $3.17+ per thousand dollars.

The condition of the Savings banks in the aggregate, as of the morning of January first, 1904, is shown by their reports to be (cents omitted):

RESOURCES.

Bonds and mortgages		$528,720,250
Stock and bond investments.	*Par value.*	
United States	$18,657,880	
District of Columbia	3,294,800	
New York State	350,000	
Bonds of other States	53,914,556	
Bonds of cities in other States	100,932,365	
Bonds of cities in this State	172,596,692	
Bonds of counties in this State	20,067,196	
Bonds of towns in this State	7,565,909	
Bonds of villages in this State	12,439,452	
Bonds of school districts in this State	3,962,084	
Railroad mortgage bonds	177,444,223	
Total par value of stocks and bonds	$571,267,112	
Amount of stocks and bonds at cost	615,842,516	
Estimated market value of stocks and bonds		$600,758,259
Loans on pledge of securities		5,823,150
Banking houses and lots at estimated market value		11,305,922
Other real estate at estimated market value		4,042,126
Cash on deposit in banks and trust companies		64,475,058
Cash on hand		9,416,738
Total of collectible interest		13,586,211
Other assets		677,750
Total resources		$1,238,800,468

Liabilities.

Amount due depositors	$1,181,281,943
Other liabilities	469,448
Surplus on market value of stocks and bonds	107,049,076
Total liabilities	$1,288,800,468
Surplus on par value of stocks and bonds	77,595,758

Statistics.

Number of open accounts	2,275,383
Number of accounts opened or reopened during the year	456,791
Number of accounts closed during the year	366,605
Total number of deposits received during the year	3,662,028
Total number of payments to depositors during the year	2,645,680
Amount deposited during the year, not including interest credited	$305,934,718
Amount withdrawn during the year	288,864,705
Amount of interest credited and paid during the year	36,842,090
Salaries paid for the year	2,068,206
Expenses other than salaries for the year	1,491,889

Closed and Failed Savings Banks.

Of the $73,997.23 reported one year ago as held by me for account of depositors in closed and failed Savings banks who had not made proof of their claims either with the receivers of the respective institutions, or with this department, only $32.30 was called for and paid over during the year. All of these claims being of many years' standing, and many of the individual credits insignificant in amount, the presumption seems reasonable that a considerable part of the total sum will never reach those to whom it should go. Yet since the first of such funds was lodged with the Superintendent of Banks, the total payments therefrom to the depositors have been $42,623.85. It is the policy of the Superintendent to make it easy for these claimants to realize the sums due them, no technical requirements being imposed as a condition precedent to payment, though, of course, it is exacted in each case that reasonable proof of identity or of the right to draw the money be supplied.

Institutions Subject to the Supervision of the Banking Department.

The total amount of resources of each of the classes of institutions below mentioned, subject to the supervision of this department on the first day of January in each of the last thirteen years, is shown by the following tabulation (cents omitted):

Total Resources.

January 1.	*Savings banks.*	*Banks of deposit and discount.*	*Trust companies.*	*†Safe deposit companies.*
1892	$675,987,684	$271,830,699	$300,765,575	$4,370,117
1893	718,454,662	295,459,929	335,707,779	5,045,787
1894	704,535,118	*271,496,822	341,466,011	5,025,769
1895	735,863,598	284,911,631	365,419,729	5,102,689
1896	783,078,580	285,407,997	392,630,045	4,517,699
1897	812,173,632	280,691,855	396,742,947	4,677,825
1898	869,751,244	324,766,619	488,739,925	5,116,362
1899	923,420,861	355,485,972	579,205,442	5,197,996
1900	1,000,209,099	366,804,182	672,190,671	5,269,271
1901	1,066,019,216	380,711,930	797,963,512	5,255,452
1902	1,131,564,624	421,616,408	969,403,911	5,663,016
1903	1,191,327,573	366,932,847	1,039,956,625	6,111,411
1904	1,288,800,468	382,080,238	1,039,735,828	6,939,799

*November 28, 1893; the other reports called in December.

†The Buffalo Loan, Trust and Safe Deposit Company and Rochester Trust and Safe Deposit Company are not included, as they are given under the head of trust companies.

The total gain in resources of these four classes of institutions during the year 1903 was $63,228,377. The increase in the past eight years, or since I became Superintendent, has been $1,261,922,011.

Securities Deposited.

The securities held in trust by the Superintendent of Banks under the law, for the protection of depositors with and creditors of the several trust companies on the first day of January, 1904, are shown in the following table:

	January 1, 1904.
United States 2 per cent. bonds.....	$2,000
United States 4 per cent. bonds.....	25,000
New York State 3½ per cent. bonds.	100,000
New York county 3.3 per cent. bonds	50,000
New York city 2½ per cent. bonds..	165,000
New York city 3 per cent. bonds....	885,000
New York city 3½ per cent. bonds.	5,547,500
Brooklyn city 3 per cent. bonds.....	220,000
Brooklyn city 3½ per cent. bonds...	250,000
Brooklyn city 4 per cent. bonds.....	100,000
Rochester city 3½ per cent. bonds..	$80,000
Rochester city 6 per cent. bonds....	10,000
Niagara Falls city 4 per cent. bonds.	20,000
Middletown city 3½ per cent. bonds.	20,000
Albany city 3½ per cent. bonds.....	41,750
Jamestown city 4 per cent. bonds. .	20,000
Buffalo city 3½ per cent. bonds.....	50,000
Bonds and mortgages................	50,000
	$7,636,250

RECOMMENDATIONS.

I have but one recommendation to submit here beyond renewing those contained in that part of my report which was transmitted to the Legislature upon the day that it convened.

It cannot be urged too strongly that the quality of investments legalized to the Savings banks be maintained at the highest practicable standard. Seven years ago these institutions counted among their bonds one hundred and eleven million dollars of United States consols. To-day they hold of this particular class of securities less than nineteen millions, and in the same period they have increased their ownership of railway bonds from nothing to one hundred and seventy-seven millions. Undoubtedly, if there had been no broadening during this time of the scope of the investments open to Savings banks, the rates of interest paid by them to depositors must have been cut much more than has been the case, and, so far as the change has gone, I am disposed to regard it as a wise one. The railway bonds that the law authorizes are in the main the best that could have been chosen from this class of securities, and are in all probability safe. But scrupulous care should be had not to extend the list unduly, and also against permitting to be thrust into it any bonds of an inferior sort. The underlying security for a Savings bank bond ought to be not only ample and absolute, but the character of the corporation that floats it should be of the highest. Extensions of the list of railway bonds for Savings banks should proceed slowly, and only upon lines that the united judgment of the officers of such institutions shall approve. The mere fact that a corporation wants a market for its securities should have no weight whatever in the matter.

The recommendations submitted in January, and herewith renewed, are:

I. The discovery in December, upon the regular annual examination of the Bank of Staten Island, at Stapleton, that the Cashier of that institution had appropriated its bond investments to the amount of $186,437.28 at book value again emphasizes the need for a statutory requirement obligating boards of directors to make periodic examinations of their banks. In this case the Cashier began abstracting the bank's securities the very day following my examination in 1902, and employing the proceeds to protect his personal interests in the stock market. Almost within a fortnight the entire amount had been so taken, and converted by the Cashier to his own uses, so that for almost exactly twelve months the bank had no possession of the bonds, and no record of their disposal. The wrongdoing of the Cashier culminated in his suicide while my examination was in progress. Every report of the bank to this Department during the year contained the verified representation that the bonds so taken were among the assets. Here we have, with the similar appropriation last summer of bonds that belonged to the Cornwall Bank, two instances within a year where the practice of permitting a single individual to administer an institution's affairs has been attended by bad failures. If the statutes of the State should make directorships in banks carry a more certain responsibility and more specific obligations, by requiring examinations in the manner that my annual reports have several times suggested, with the exception that verified reports of such examinations be filed in this Department, the chances for repetitions of the Cornwall and Staten Island experiences would at least be lessened.

II. If foreign trust companies have the right to come into this State and maintain offices and transact any kind of business here, which I do not believe, such right exists without express statutory declaration of it, and power of visitation and examination of corporations of this class maintaining offices in New York is only implied. This is certainly an anomalous condition, and it ought not to be permitted longer to continue. It is recommended that the rights of such companies in this State be defined clearly by the Legislature; that positive prohibition be enacted against their receiving deposits here, or acting as trustee, guardian, executor, or in any trust capacity; and that if they shall be permitted to do business of any kind in this State, they may enjoy such privilege only upon license from the Superintendent of Banks, and with liability to annul examination by him of their branches in New York.

III. The right of domestic trust companies to hold stocks in private corporations might wisely be differently defined, their right to engage in underwriting schemes unqualifiedly denied, and the obligation imposed upon them to carry a legal reserve. As a part of this latter proposition I am confident that it would be advisable to require also that these institutions and the State banks in New York make weekly reports similar in scope to those submitted by the clearing-house banks and the non-member banks to the clearing-house association. All of these matters were discussed at length in my January report, and occasion is not thought to exist for amplifying them here.

Respectfully submitted,

FREDERICK D. KILBURN, *Superintendent of Banks.*

THE HISTORY OF A TRUST.

[Cerdic Saxon in "The North American Review."]

To sum up briefly the trust's history. At the opening of 1893, it controlled absolutely the business of the country in its own line. Its position was apparently unassailable. The prospects could be expressed only in superlatives. All the great, successful men of the industry were under one management. No opposition was in sight. A surplus was in the treasury and a very large profit was in the business.

To-day, the trust's surplus is gone, and in its place is a bonded indebtedness of some $17,000,000. It is perhaps doing about sixty per cent. of the business of the country, and that at little or no profit. The gains of the best mills are largely wiped out by the losses at the others, not to mention the constant interest drain and the drag of dismantled plants. Instead of being owner of the field, it has about ten well established competitors, each of the competing mills being headed by some of the ablest men in the industry, all of whom were formerly in the trust. Those who were the great leaders in this industry and its chief fortune-makers are dead, retired or at the head of companies outside the trust.

The public's appreciation of the trust is fairly well reflected in the stock market. Where the stock formerly sold at from 100 to 120 for the preferred, and from 60 to 65 for the common, it is now quoted at from half to one-third of those figures with no purchasers. The present managers are striving valiantly to put the trust on its legs again, but the task is herculean: while their newness in their position, their uncertainty of tenure of office, the changes and rumors of changes of various sorts each year of late, coupled with the absence of any one dominating master mind equipped for the requirements of the trust, handicap the future excessively. Furthermore, the moment the trust again gets where it can declare dividends on its $50,000,000 capital, the field will offer too great an inducement for competition to be overlooked. This point is, perhaps, made clearer by the statement that the present live plants of the trust could be all duplicated, ready for business, for less than $5,000,000 cash.

Now, what has been the result of ten years' experience with this typical industrial trust, which produced a commodity that is necessary to almost every person in America? Has the original fear of the public, or the claim of the monopoly promoter, been realized? Does not this trust excite more titters than terrors among the trade to-day? Did competition remain suppressed, or did inflated prices continue beyond a comparatively short period? Its original managing board embraced all the ablest and most successful captains of the industry; but was the trust able to bring about and continue that subordination and co-operation among them which was essential to its harmonious and successful development? Was it able to eliminate human nature in these men, and remove all traces of feelings generated during their careers of rivalry? This history seems to give answer to all these queries in a manner which suggests the absence of grounds for fear of continued industrial tyranny from any such combinations. Theoretically, a trust can become a monster of oppression; practically, trusts hurt only the confiding investing public. The average trust is as powerless for permanent harm as the bogyman of our childhood.

Proceedings of the Fifth Annual Convention of the Pennsylvania Bankers' Association.—Through the courtesy of Samuel R. Shumaker, committee on publication, we have received the Proceedings of the Fifth Annual Convention of the Pennsylvania Bankers' Association. In paper, printing and binding, this volume is a model of quality and taste, and it might well be wished that other associations would profit by the example of Pennsylvania. Too many of these publications are wretchedly printed and poorly bound. There would seem to be some arguments in favor of making all these publications issued by the different States of uniform size, if not of style also. The high standard of typography set by William H. Rhawn, who supervised the publication of the proceedings of the first convention of the Pennsylvania Association, has been well sustained by Mr. Shumaker.

THE WHITAKER WRIGHTS OF AMERICA.

[From the Monetary Times, Toronto.]

That a man is convicted of fraud and dies in disgrace by his own hand is no reason why his own version of his career should not be listened to with respect, even by those who have never been arraigned in a law court. Whitaker Wright, at the time of his capture in New York, said, or is reported to have said: "There is no difference between what I did in England and what your industrial companies are doing in America." Now, Wright may have fully believed what he said, but this does not exculpate him from the guilt for which his tragic death was such a sorry atonement, because the deeds for which punishment was meted out to him were committed not in America, but in England, where he must have known they were criminal acts.

But his terse statement does lead to a train of reflections upon the question, what constitutes a crime? Nominally, a crime is that which is contrary to and forbidden by the law. Moreover, at this stage of the world's civilization, it may generally be taken for granted that what is looked upon as a crime in one country is, or should be, considered a crime in other countries. Now, in this case, the methods of financing companies, which Whitaker Wright adopted in England, are there deemed distinctly fraudulent, and punishable by the law, while, on the other hand, they may be indulged in in this country and in the United States with impunity. Which, then, of the two alternatives does this more likely imply—that such methods are not really fraudulent, or that the law here is itself faulty in not touching them?

In England, Wright, the bold financier, came to be looked upon as little better than a buccaneer, and, as such, the law speedily came into play. The interesting way in which his subsidiary companies bought from and sold to one another at an immense so-called profit, just before annual-meeting time, the rapidity with which thousands paid in became millions on paper, the extraordinary facility with which dividends were paid out of profits as yet unearned, the oceans of "water" in his vaunted stocks, all were looked upon by the courts, not as high finance, but as the sure evidence of a very acute desire to deceive the public. This was enough; he was found guilty; and the judge decided that no punishment within his power to measure out was too much for the man who would carry on such practices. On this continent, the same methods are used; dividends are paid out of unearned profits; worthless shares are loaded on a confiding public; companies are grossly over-capitalized, and the public, in order that shareholders may be paid dividends on a vast quantity of "water," has sometimes to pay through the nose for the necessaries of life. Yet nothing is done! In England, this sort of thing is criminal; is it less a crime here?

We have, of course, not so much to do with what goes on in the United States, but it is surely time that the Canadian laws which have to do with the formation of companies should be so amended as to afford more protection to the public than they do now. We remember noting the surprise of one of the English delegates to the recent Chambers of Commerce Congress, expressed at the way in which common stock is sometimes issued in this country at a merely nominal price to bondholders, giving the rein to the gambling element in its worst form. There are, however, several directions in which our joint-stock companies might be improved with advantage. What is so emphatically criminal in England cannot properly be deemed legitimate business here. That this is becoming recognized by business men is manifested by the passing of a resolution at the annual meeting recently of the Montreal Board of Trade calling for such changes in the Dominion and Province of Quebec Joint Stock Companies Acts as will put a stop to the fictitious over-capitalization of companies.

Savings Bank Investments.—The Attorney-General of New York recently ruled that the $7,000,000 issue of the Philippine land-purchase bonds were not a legal investment for New York Savings banks.

THE GOVERNMENT OF BUSINESS.

No other invention of the past two centuries has contributed more to the material prosperity of the world than the invention of the stock company.

What machinery is to hand labor, the stock company is to individual enterprise. It provides a method of aggregating capital so as to make great enterprises possible. No individual would be rich enough, no partnership would have sufficient resources to build railroads, construct ocean steamers, and conduct vast business operations. But for the stock company these things would have to be done—if done at all—by the State. The stock company enables them to be done as private enterprises. It is, therefore, a wonderful device for preserving the principle of individualism, and at the same time achieving the results of socialism. It not only aggregates capital, but gives continuity to a business. The world's greatest development has been accomplished by means of the corporation. The stock company ranks with the steam engine, the telegraph, the electric motor, almost with the printing press, as the greatest contributions to modern civilization.

Yet at every stage of its development the stock company had met with strong opposition. That is the fate of every useful thing that has appeared in the world. But in the case of the corporation, the antagonism has grown stronger as the corporation has grown larger and the possibilities of its power have been developed.

So to-day there is a popular prejudice against corporations stronger than has existed at any stage of the evolution of the stock company. It is well, therefore, to direct attention to the benefits of the corporation, lest many who feel some of the evils which result from the misuse of the corporate principle should go so far as to advocate measures that would destroy it altogether, or shackle it with restrictions which would prevent its development as an important tool of civilization.

Among the other benefits of the stock company—and this is not generally recognized—is that it affords an opportunity for persons of very moderate means to become partners in immense enterprises. If there were no stock companies, a person with a capital of one hundred, or one thousand dollars, could not become a partner in such an enterprise as the Pennsylvania Railroad or the United States Steel Corporation. The stock company is, therefore, an agent for the diffusion of wealth.

Abolish it, and there would be only two alternatives—socialism in its most radical form, or a military despotism. The stock company is, when properly considered, as much a development in the direction of liberty as popular government itself. It is a remarkable fact that the growth of democracy and the growth of the stock company have been contemporaneous events, and the relation between them is close. Both are based on the principle that the source of all power should be in the people.

This fact, however, seems to have been overlooked entirely both by the directors of corporations and by their enemies. The latter see anything but liberty in the latest evolution of the corporation. They discover in it only tyranny. They charge it with being the ally of monopoly. They declare that it is being employed to crush out competition and to concentrate the power of capital in a few hands. They proclaim loudly that the corporate power over the great enterprises of business is gradually extending itself so as to control the political power. Many, therefore, have come to believe that the modern corporation is a peril to human liberty.

Now this belief is the result (1) of prejudice, and (2) of excesses in the organization and the management of the corporations.

The prejudice must be removed by making clear to the people the inestimable benefits to themselves of the stock company. Who would abolish railroads, because they prevent the profitable operation of the stage coaches, and occasionally cause loss of life and property through accidents? Who would abolish the printing press because it has made yellow journalism possible?

Among the evils which have attended the extraordinary growth of the corporations in recent years are: 1. Concentration of control, which in many cases is independent of ownership; 2. Power without any proper sense of responsibility to stockholders and public; 3 The close identification of many companies with speculation; 4. The failure of directors to direct, and the neglect of stockholders to exercise their power; 5. The absence of any well regulated corporation conscience; 6. Gross abuses in promotion and organization; 7. Denial of the

rights of the people from whom the corporations derive their existence and power to do business; 8. Refusal to grant a reasonable publicity, such as is essential to safeguard the interests of public and investors. In addition it may also be asked whether the corporation principle has not been carried too far by the creation of companies owning other companies, thus permitting of a process of pyramiding of control, having grave possibilities of peril.

The problem is to reform these evils without destroying the benefits of organization and combination. Those who, in all sincerity, advocate these reforms are not the enemies of corporations, but their best friends. The greatest era of the stock company is not in the past, but in the future. The problem of remedying these abuses ought not to be so difficult. Moderate laws will accomplish something, though the danger in legislation is that it is often the expression of popular prejudice and clamor. More will be accomplished by the establishment of a comprehensive, but fair publicity, which shall inform the people of their rights and powers, safeguard investment against fraud, and protect the country against the exercise of corporate power for oppression and corruption.

In other words, what is wanted, and what is surely coming, is a government of business through corporations that shall be "a government of the people, by the people, for the people."—*Wall Street Journal.*

NEW YORK AND LONDON BANKS.

[From the London "Statist."]

Through ignorance of the New York money market some of our daily contemporaries, with the "Times" at their head, have been preaching a policy of bank management in New York which is not merely misleading but positively mischievous. It applies to American banks a rule which the peculiar constitution of our own money market made necessary, and it tends to foster in the minds of our bank managers and of the public at large a mistaken sense of security which may lodge us some day in disaster.

It is to be hoped that, as a community, we are at last awakening up from the delusion into which the free trade agitation lulled us, and are about to overhaul and reform our whole business of bank organization. We have, during the past two sessions, been reconstructing our educational system. Mr. Chamberlain has invited us to reconsider our fiscal policy, and the columns of our newspapers show how busily we are engaged in doing so. It is sincerely to be desired that we may go on and deal properly with our banks, our railways, and other institutions. But if we are to legislate wisely for them, we must first get rid of existing misconceptions. Therefore we invite our readers to-day to examine with us the management of the leading banks of London and New York.

We need hardly remind our readers that our own joint-stock banks keep no reserves. The Bank of England does keep a gold reserve—whether a sufficient reserve or not we need not now stop to inquire. But it keeps a real reserve. The joint-stock banks do nothing of the kind. What they call their reserves are balances lodged with the Bank of England which are really required for their clearing-house operations, cash in hand, and moneys lent to bill brokers at call or short notice. The cash in hand consists mainly of Bank of England notes, and therefore is not a reserve, for it is based upon the reserve of the Bank of England. The money lent to bill brokers could not be called in in a real crisis unless the Bank of England were empowered to break the Bank Charter Act. Over and above these funds, the banks hold as a reserve, but which cannot be regarded as a cash reserve, investments in consols and other first-class securities. But consols could not be sold in a panic, as was proved in 1890, and therefore are not a reserve.

Bank Management in London.

Our joint-stock banks, then, we would impress upon our readers, hold no cash reserves at all. They throw upon the Bank of England the whole cost and burden of providing a reserve for the whole United Kingdom. That being so, however anxious the banks might be to lend and discount to a dangerous extent, they have to impose some restraint upon themselves. Therefore they keep a portion of their funds invested. They lend out another portion at call or short notice, and they lay down the rule that the loans and discounts must never equal the deposits. It will be seen that the rule is a purely local one, born of the unwillingness of our banks to do their duty to the public by keeping reserves, and consequently fear that unless some such rule is observed disaster will follow. We need not remind our

readers how very loosely our banks observe even this self-laid-down rule. The amount they keep in hand even of the Bank of England notes is trifling. They are unwilling to keep even £100,000 idle for a single night, and the so-called reserves which they make such a parade of every month are lent out for the greater part of the month, and are called in at the end of the month, in the hope of hoodwinking the public. Yet several of our newspapers, who ought to know better, are applying this absurd rule to New York, and are leading the uninformed to infer that because it is not observed by the New York banks those latter are in a perilous state.

The banking law in the United States, we need hardly remind our readers, differs totally from the English banking law. In the first place, the National banks are compelled to call up the whole of their capital. Here, our readers will remember, the banks have a large amount of uncalled capital. Whether that uncalled capital would really be available in case of disaster depends upon whether the shareholders of the several banks are strong persons capable of paying up in an emergency or are not. In any case, of the capital which the banks themselves consider requisite as a guarantee for the safety of the deposits only a portion is paid up. In the United States the National banks have to call up the whole of their capital. In addition, the American banks lay by every year very handsome surplus profits—profits, that is to say, which they do not distribute to their shareholders.

Bank Management in New York.

At the present time the aggregate capital of the New York associated banks—the banks, that is to say, associated in the clearing-house—amount to a little under 110 million dollars, or 22 millions sterling; and the surplus or undivided profits amount to a little over 129 million dollars, or somewhat less than 26 millions sterling. The paid-up capital and the undivided profits, therefore, together amount in round figures to about 48 millions sterling. This 48 millions sterling is available for employment in the business, because the New York banks keep a real reserve.

We have seen that English joint-stock banks keep no cash reserves, and that, therefore, they have to provide a large uncalled capital to give confidence to the depositors. But the New York banks are required - such of them as are National banks, by law, and such of them as are State banks, by the rules of the clearing-house association—to keep in lawful money of the United States reserves equal to twenty-five per cent. of their deposits.

Apart, altogether, therefore, from the capital and the undivided profits, there is an actual cash reserve for the security of the deposits amounting to twenty-five per cent., or five shillings in the pound sterling. Over and above this, the New York banks—at all events such of them as are National banks—issue notes which, of course, are employed in lending and discounting. On a recent date the circulation of the New York associated banks amounted to $43,862,600, or £8,772,520.

After this preliminary explanation of the law relating to the New York banks, let us see how the banks stood on Saturday last according to their weekly returns. The loans and discounts amounted to $908,350,000, or £181,670,000, and the net deposits amounted to $903,340,000, or £180,668,000, from which it appears that the loans and discounts exceeded the deposits by £1,002,000.

Now let us inquire whether this is so serious a state of things as to raise a presumption that the banks are badly managed. We have seen already that the aggregate capital and undivided profits of these banks amount, in round figures, to 48 millions sterling. We have seen further, that the notes in circulation amounted to $43,862,600, or £8,772,520; and it will be recollected that these notes are secured by the deposit in the United States Treasury of United States interest-bearing bonds of full amount. The notes, therefore, are practically beyond question. Lastly, the banks hold deposits amounting to £180,668,000.

Thus in capital and undivided profits in fully-secured notes and in deposits the funds at the command of the banks for employment amount to £237,440,000. Of this sum they employ £181,670,000 in loans and discounts, they hold no less than £49,000,000 in hard cash, and they have £8,772,000 of Government bonds in the Treasury against their note circulation. Therefore, for every £1 they owe to their depositors they hold 5s. 6d., or 27.5 per cent., in hard cash, and over £1, or 100 per cent., in loans and discounts. Moreover, is it not better and safer to hold securities as collateral than as investments? If the investments held depreciate in value, does not the loss fall on the banks themselves? But if the securities held as collateral depreciate in value, does not the loss fall upon the customers of the banks? Will any reasonable man say that this is an unsatisfactory state of things? On the contrary, is it not clear that, if the loans and discounts have been made with ordinary prudence, the banks are as sound as any in the world?

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—Henry W. Cannon, for many years President of the Chase National Bank, has resigned that position, and has been succeeded by A. B. Hepburn, formerly Vice-President. Albert H. Wiggin, Vice-President of the National Park Bank, succeeds Mr. Hepburn as Vice-President of the Chase National. Mr. Cannon desired to be relieved of the active management of the bank, owing to length of service and impaired health. He will hereafter be chairman of the board of directors. During his long connection with the Chase National it has grown to be one of the most successful banks of the country. Mr. Cannon has also rendered distinguished services to the financial interests of the city and country through his official relations with the clearing-house.

Mr. Hepburn and Mr. Cannon are both former Comptrollers of the Currency. Mr. Hepburn was also a National bank examiner at one time, and was Superintendent of the New York Banking Department. He is widely known for his successful banking career and by his writings on financial and economic subjects.

—The money brokerage business formerly conducted by the late Oscar F. Richardson in the Drexel Building, No. 3 Broad street, will be continued by his son, Rudolf S. Richardson, in the Wall Street Exchange Building, 43 Wall street and 43 Exchange Place.

—It is reported that several additional trust companies will terminate their clearing-house arrangements, unless there is a modification of the rule, effective June 1 next, requiring the trust companies to keep a reserve of not less than ten per cent.

—At a meeting of the New York Chapter American Institute of Bank Clerks on the evening of February 25, James R. Branch, secretary of the American Bankers' Association, made an interesting address describing the protective work of the association.

—Daniel J. Sully & Co. have opened offices in the Wall Street Exchange Building for the purpose of conducting a general banking business, dealing in New York Stock Exchange securities, and purchasing and selling contracts on commission on the New York, New Orleans and Liverpool cotton exchanges and the New York Coffee Exchange. Mr. Sully, the head of the firm, is the well-known cotton operator, and the other members are S. F. B. Morse, Walter S. Crandell and Edwin Hadley, Jr. The firm has a branch at New Orleans.

—Gilbert G. Thorne, a Vice-President of the National Park Bank, was elected a director of the bank February 16.

—Regarding the recent defalcation of the agent of the American Surety Co. at Boston, President H. D. Lyman writes:

"The American Surety Company in its long career has, as surety, had to meet the losses of other corporations, sometimes in very large amounts, and has done so with equanimity. With equal equanimity, but with no pleasure, it now announces to you that Wallace H. Ham, treasurer of St. Paul's Church, treasurer of St. Luke's Home for Convalescents, and Manager of the American Surety Company at Boston, Mass., is a defaulter in about the net sum of $190,000 divided between the Home and the Surety Company in such amounts as only a joint examination may hereafter determine. On ascertaining the facts in full, the executive committee of the American Surety Company ordered the arrest of the culprit and appropriated out of its surplus and undivided profit account of $2,048,000, sufficient to defray its proportion of the shortage.

The above is all that can be said at this time. We have put the loss behind us and jailed the culprit."

—Plans for consolidating the National Citizens' Bank and the Central National have been approved by the directors of both institutions. The Central National will go into liquidation, the National Citizens will increase its capital from $1,550,000 to $2,550,000, using the added capital in acquiring the assets of the Central National. The consolidated institution will be

known as the Citizens' Central National Bank, and it will probably occupy the premises of the Central National at 320 Broadway. The officers of the consolidated bank will be the same as in the National Citizens'; President, Edwin S. Schenck; Vice-President, Ewald Fleitman; Cashier, Henry Dimse.

—Arrangements have been made between the International Banking Corporation and the Guaranty Trust Company whereby the latter withdraws from business at Shanghai, Hong Kong and Manila, and assigns the good-will of its business at these points to the International Banking Corporation, which will carry out existing contracts of the Guaranty Trust Company in China and the Philippines.

—The directors of the Morton Trust Co. have elected Harry Payne Whitney a director, to succeed his father, the late Wm. C. Whitney.

—It is regarded as probable that the Mechanics' National and the Leather Manufacturers' National will unite under the former title, President Gates W. McGarrah, of the latter bank, becoming President of the combined institutions.

—Messrs. Speyer & Co. recently contracted to take the $35,000,000 Cuban loan, the price paid being 90⅛.

—The stockholders of the Empire State Trust Co. and the McVicar Realty Trust have ratified the plan for consolidating the two companies under the title of the Empire Trust Co.

—W. R. Gillette, director of the Guaranty Trust Co., and vice-president of the Mutual Life Insurance Co., and Charles R. Henderson, a director of both these corporations, were recently elected directors of the International Banking Corporation.

—The clearing-house committee recently made a ruling in regard to endorsements on checks. The question involved was whether a member bank presenting for payment through the clearing-house a check or draft to such member bearing a prior endorsement, "pay to any bank or banker or order," must guarantee all prior endorsements. The clearing-house committee rules that such endorsements are "qualified or restrictive," and that all prior endorsements must be guaranteed.

MIDDLE STATES.

Pittsburg. — Group 8 of the Pennsylvania Bankers' Association met at the Hotel Schenley February 22. The election of officers resulted as follows: Chairman, Wilson A. Shaw; vice-chairman, J. A. Herron, of Monongahela City; secretary, R. J. Stoney, Jr.; treasurer, Walter R. Stauffer, Scottdale; executive committee, Edward E. Duff, Pittsburg; John G. Kelly, Braddock; J. M. Painter, Kittanning; E. R. Baldinger, Allegheny, and David Johnston, New Castle. Group No. 8 of the Pennsylvania Bankers' Association includes in its membership nearly all the bankers and bank clerks of Western Pennsylvania.

In the evening a banquet was held, Col. Hugh Young, President of the Federal National Bank, Pittsburg, acting as toastmaster. A number of interesting addresses were made by local bankers and others.

Appointed Bank Examiner.—W. J. Robinson, for many years Cashier of the Mercer County National Bank at Mercer, Pa., has been appointed bank examiner for the central district of Pennsylvania.

Pennsylvania Bankers Meet.—The annual meeting of Group 5, Pennsylvania Bankers' Association, was held at the Lochiel Hotel, Harrisburg, at 3 o'clock P. M., February 22, the President, F. K. Ployer, of the Second National Bank, Mechanicsburg, Pa., in the chair, and about thirty of the representative bankers of Dauphin, Lancaster, York, Cumberland, Lebanon and other counties, comprising the group, in attendance. Subjects pertaining to the banking business were discussed and action taken likely to increase the growth and usefulness of the association.

The following officers were elected for the ensuing year: President, J. H. Shook, Cashier First National Bank, Greencastle; secretary and treasurer, C. W. Few, Cashier First National Bank, Lebanon, Penna.

Executive Committee: F. K. Ployer, Second National Bank, Mechanicsburg; J. S. McIlvane, Cashier National Bank Chambersburg, Chambersburg; J. H. Brenneman, Lancaster Trust Co., Lancaster; J. J. Frick, Cashier York National Bank, York; Al. K. Thomas, Cashier East End Bank, Harrisburg.

The business of the meeting concluded, the members of the association partook of the usual annual banquet, which was nicely served, and much enjoyed by all in the private dining-room of the Lochiel Hotel.

Reserves for Trust Companies.—On February 10 Mr. Matthews introduced a bill in the New York Assembly making the law in regard to banking reserves applicable to trust companies. Should the bill pass trust companies in New York will be compelled to keep a re-

serve of fifteen per cent. of their deposits, and those outside New York a reserve of ten per cent.

Orange, N. J.—Henry L. Holmes of Montclair, N. J., who has been State Bank Examiner since 1902, has been appointed Cashier of the Orange National Bank. Charles Hasler, who has been paying teller of the bank for many years, has been made Assistant Cashier.

Baltimore.—The great fire of February 7, which destroyed a large part of the business district of the city, was especially severe on the banks, many of the principal banks losing their buildings. Fortunately, the vaults withstood the fire and the securities and money were saved. Among the buildings burned were: National Exchange Bank, National Bank of Baltimore, National Union Bank, National Mechanics' Bank, National Bank of Commerce, Farmers and Merchants' National Bank, Third National Bank, First National Bank, German Savings Bank and Savings Bank of Baltimore.

Two of the financial institutions which had marvelous escapes from the fire are the Safe Deposit and Trust Company in South street, and the Mercantile Trust Company at the southwest corner of German and Calvert streets. These were in the heart of the burned district, and were not touched.

Measures were promptly taken by the banks for having outstanding checks on them cashed, and the situation has been met in all respects with energy and resolution.

New Jersey Bankers' Association.—Members of the New Jersey Bankers' Association met in annual convention at Atlantic City, February 26 and 27.

Mayor F. P. Stoy made the address of welcome, and President Edward C. Stokes responded on behalf of the association. Wm. C. Heppenheimer, President of the Trust Co., of New Jersey, Hoboken, spoke on "Special Departments of Trust Companies:" James R. Branch, secretary of the American Bankers' Association, spoke of the protective and educational work being done by that association; Edward S. Campbell, President of the National Newark Banking Co., spoke on "Collections and Exchange; Should We Charge Our Customers?" Thomas K. Johnson, Deputy Commissioner of Banking and Insurance, also delivered an address.

A banquet was held at the Hotel Chelsea. Hon. Leslie M. Shaw, Secretary of the Treasury, was the principal speaker, his theme being the relations of the Federal Government to the banks and the financial integrity of the country. Other speakers were Attorney-General Robert H. McCarter, ex-Senator Edward C. Stokes, Mayor Mark Fagin, of Jersey City, and George L. Record, Corporation Counsel of Jersey City.

At the second day's session the following officers were elected:

Uzal H. McCarter, President of the Fidelity Frust Company, of New Brunswick, president; Wilbur F. Rose, President of the State Bank of Camden, vice-president; Henry G. Parker, of the National Bank of New Jersey, treasurer. Edward C. Stokes, of Trenton, and William C. Heppenheimer, of Hoboken, were elected to three-year terms on the executive committee.

New York Bankers' Meeting.—Group V of the New York State Bankers' Association met at the Fort Orange Club, Albany, on the evening of February 18. The following officers were elected: Chairman, F. G. Haviland, of Hudson; secretary, C. E. Bullock, Jr., of Albany; executive committee, F. E. Howe, of Troy; F. S. Vanderveer, of Amsterdam; D. C. Dow, of Cobleskill, M. F. McGarren, of Malone, and G. P. Wilson, of Cohoes.

F. D. Kilburn, Superintendent of the Banking Department, was one of the speakers He said in part: "I hardly believe there is a banker in the State who does not deprecate the practice on the part of banks paying interest on individual deposits, nor who would not do away with it, at least so far as his own bank is concerned, if he could see his way clear to do so without, as he believes, serious injury through loss of business to his own institution; nor one who does not believe it to be contrary to sound principles of banking and on the whole detrimental to the banking interests of the whole State. This practice has grown to such proportions that in many sections of the State it is relied upon as the chief means of attracting deposits. This competition, which in many instances has developed into an unseeming scramble, is often accompanied by undignified, misleading and in many instances absolutely false advertising; and in this particular I do not confine my remarks to the banks alone, but include some of the trust companies of the State. Of course it would be improper and impolitic for me to particularize. Your own observation will verify my statement and suggest the institutions to which I refer."

Other speakers included President A. V. V. Raymond, of Union College, John A. Sleicher, of New York city, Joseph A. Deboer, of Vermont, and others.

WESTERN STATES.

St. Louis, Mo.—On February 26 the organization of the Bankers' World's Fair National Bank was completed. H. A. Forman, President of the Fourth National Bank, was elected

President. The Vice-Presidents chosen are C. H. Huttig, President of the Third National Bank; August Gehner, President of the German-American Bank; R. R. Hutchinson, President of the Mechanics' National Bank: William H. Thompson, Cashier of the Boatmen's Bank, and N. A. McMillan, Vice-President of the St. Louis Union Trust Company. The new bank, which has a paid-up capital of $200,000, will be situated near the entrance of the Exposition grounds.

Terre Haute, Ind.—The business of the Terre Haute Trust Co. has had a very steady growth in the past few years. Its deposits have increased from $114,161 on January 31, 1901, to $372,518 on January 31, 1904; and in the same time the assets have increased from $362,539 to $705,567.

PACIFIC SLOPE.

San Francisco.—The twenty-eighth annual report of Charles Sleeper, Manager of the San Francisco Clearing-House, issued February 11, contains figures of the remarkable growth of business in this city, as shown by the transactions of the banks through that institution.

The clearings for the year 1903 are placed at $1,520,200,682 as compared with $1,373,362,025 for 1902, a gain of $136,838,656 or 10.7 per cent. and an average daily gain of $481,438.22.

Business in general has been good during the year, with an increase in real estate transactions and an increase in State, city and suburban population.

The balances of the clearing-house banks in 1903 were 11.7 per cent. of the clearings and amounted to $177,810,822 and were paid in United States gold coin (22.62 per cent.), $40,215,-822.37 and United States Treasury gold certificates (77.38 per cent.), $137,595,000. The average daily balance for 1903 was $582,986 as compared with $548,629 for 1902, an average daily increase of $34,357.

The clearing-house resumed the use of United States Treasury gold certificates in the settlement of balances on August 19, 1899, since which time to December 31, 1903, the balances have been in amount $648,078,472.43, and paid as follows: In gold coin (26.14 per cent.), $169,-393,472 and in certificates (73.86 per cent.), $478,685,000.

The certificates saved at least a fourfold handling of an equal amount of gold coin, the fourfold weight of which would be over 7,057,000 pounds avoirdupois.

The United States Treasury gold certificates used by members as clearing-house certificates are now $2,565,000.

The total clearings of the San Francisco Clearing-House for the twenty-eight years of its existence have been $21,796,794,043 and the total balances for the same time have been $3,295,-269,809. Last year's clearings of $1,520,200,682 and the balance of $177,810,822 were the largest of any year in the history of the institution. The highest average daily clearing for the twenty-eight years was $4,984,264, also in last year.

The following officers have been elected for the year: President, William Alvord; Vice-President, Homer S. King; Secretary, Frederick W. Zeile; Clearing-House Committee—William Alvord (chairman), President Bank of California; Ign. Steinhart, Manager Anglo-Californian Bank, Limited; S. G. Murphy, President First National Bank of San Francisco; James W. Wilson, President San Francisco National Bank; A. Kains (secretary), Manager Canadian Bank of Commerce. Manager, Charles Sleeper: Assistant Manager, J. T. Burke.

Tax on Savings Deposits.—The great incubus which rests upon all the banks of the State is the so-called franchise tax imposed by Gov. Odell in his determination to support the State by indirect taxation. The $1,191,330,578.18 assets of the 127 Savings banks of the State was too tempting for him to resist laying hands upon in some way. We have then to pay this tax of one per cent. upon the surplus and undivided earnings of every Savings bank in the State each six months. Before a dollar can be paid to depositors, the State must have one per cent. of the earnings of the previous six months. How can the trustees pay four per cent. under such burdensome restrictions?

Here are several thousand of the very best men in the State giving their services without any pecuniary remuneration to the benevolent purpose of encouraging the poorer classes to save their earnings, and directly, as well as incidentally, no doubt often saving those from becoming a public charge, and yet the great State of New York taxes these gentlemen for the privilege of helping their fellow citizens, and lays upon them a burden which is wholly unworthy of an enlighted people.—*W. H. S. Wood, President Bowery Savings Bank, in "New York Times Annual Financial Review."*

President Wood is right in declaring that the tax on Savings banks is wholly unworthy of an enlightened people. This tax is one that bears directly on the Savings bank depositor, as such banks have no capital, and all the funds of the banks belong to depositors. The rich depositor in a commercial bank can "swear off" his deposits, and thus escape taxation, but no such escape is open to the poor who have their few dollars or pennies in the Savings banks.

The tax on Savings banks ought never to have been imposed, and should be repealed without delay.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

Applications to Organize National Banks Approved.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice:

Cranford National Bank, Cranford, N. J.; by Thomas A. Sperry, et al.

Citizens' National Bank, Paul's Valley, I. T.; by J. T. Hill, et al.

First National Bank, Miami, Texas; by Thos. B. Lee, et al.

First National Bank, Ventura, Cal.; by Wm. Mead, et al.

First National Bank, Carterville, Ill.; by E. E. Denison, et al.

Hudson National Bank, New York, N. Y.; by Wm. Hanhart, et al.

First National Bank, Shirley, Ind.; by John R. Kitterman, et al.

Wellesley National Bank, Wellesley, Mass.; by Chas. N. Taylor, et al.

First National Bank, Halstad, Minn.; by H. Thorson, et al.

American National Bank, Tampa, Fla.; by L. L. Buchanan, et al.

Linden National Bank, Linden, Ala.; by J. H. Wood, et al.

Farmers and Merchants' National Bank, Hico, Texas; by J. F. Wieser, et al.

Citizens' National Bank, Orange, Va.; by R. C. Slaughter, et al.

Enid National Bank, Enid, Okla.; by O. J. Fleming, et al.

First National Bank, Pennsboro, W. Va.: by Creed Collins, et al.

Altus National Bank, Leger, Okla.; by T. G. Braddock, et al.

Bankers' World's Fair National Bank, St. Louis, Mo.; by W. H. Thompson, et al.

First National Bank, Millerstown, Pa.; by C. A. Rippman, et al.

First National Bank, Newark Valley, N. Y.; by T. F. Chamberlain, et al.

First National Bank, Salem, W. Va.; by Genius Payne, et al.

First National Bank, Mountain Grove, Mo.; by E. J. Green, et al.

First National Bank, Deer Creek, Minn.; by F. J. Evans, et al.

Hico National Bank, Hico, Texas; by J. H. Gage, et al.

First National Bank, Lakeview, Ore.; by A. McClallen, et al.

National Bank of La Follette, Tenn.; by R. B. Baird, et al.

Farmers' National Bank, Manor, Texas; by J. W. Hoopes, et al.

First National Bank, Napa, Cal.; by H. P. Goodman, et al.

Western National Bank, Fort Worth, Texas; by W. H. Eddleman, et al.

First National Bank, Alturas, Cal.; by B. F. Lynip, et al.

Clinton National Bank, Clinton, Mo.; by Henry Koehler, et al.

First National Bank, Bisbee, Ariz.; by J. N. Porter, et al.

Farmers' National Bank, Henderson, Iowa; by C. E. Irwin, et al.

Sonora National Bank, Sonora, Cal.; by Clifford McClellan, et al.

People's National Bank, Fairmont, W. Va.; by W. S. Haymond, et al.

First National Bank, Saxton, Pa.: by M. B. Breneman, et al.

People's National Bank, Lexington, Va.; by Wm. M. McElwee, et al.

First National Bank, Graceville, Minn.; by John McRae, et al.

First National Bank, Bridgeport, Texas; by H. G. Leonard, et al.

First National Bank, Mansfield, La.; by Boling Williams, et al.

Cooperstown National Bank, Cooperstown, N. Y.; by Datus E. Siver, et al.

Citizens' National Bank, Bangor, Pa.: by Jas. Weidman, et al.

First National Bank, Williamstown, N. J.; by M. M. Chew, et al.

First National Bank, Mounds, Ill.; by P. T. Chapman, et al.

First National Bank, Mena, Ark.; by L. C. Acruman, et al.

People's National Bank, Muncie, Ind.; by C. F. Wachtell, et al.

First National Bank, Zachry, La.; by L. M. Tooke, et al.

Royall National Bank, Palestine, Texas; by N. R. Royall, et al.

Application for Conversion to National Banks Approved.

Farmers' Bank, Martinsville, Va.; into First National Bank.

Crooksville Bank Co., Crooksville, Ohio: into First National Bank.

Citizens' Bank, Pennsboro, W. Va.; into Citizens' National Bank.

Citizens' State Bank, Lamberton, Minn; into First National Bank.

Carpio State Bank, Carpio, N. D.; into First National Bank.

Farmers and Merchants' Bank, Bellaire, Ohio; into Farmers and Merchants' National Bank.

Farmers' State Bank, Overbrook, Kans.; into First National Bank.

Bank of San Mateo County, Redwood City, Cal.; into First National Bank.

Clifton State Bank, Clifton, Kans.; into First National Bank.

Bank of Greenwood, Greenwood, Miss.; into First National Bank.

NATIONAL BANKS ORGANIZED.

7109—First National Bank, Le Roy, Minn. Capital, $25,000; Pres., William Allen; Vice-Pres., Soren Engelsen; Cas., W. M. Frank; Asst. Cas., C. F. Hambrecht.

7110—First National Bank, Louisa, Ky. Capital. $30,000; Pres., Alex. Lackey; Cas., G. R. Vinson.

7111—First National Bank, Chrisman, Ill. Capital, $25,000: Pres., Silvanus W. Neighbor: Vice-Pres., William T. Watson; Cas., Jesse B. Lindley; Asst. Cas., L. A. Osborne.

7112—First National Bank, Wehrum, Penn. Capital, $25,000; Pres., Clarence B. Clagborn; Cas., Chas. A. Cunningham,

7113—Gaston National Bank, Dallas, Tex. Capital, $250,000; Pres., W. H. Gaston; Vice-Pres., D. E. Waggoner and R. K. Gaston; Cas., R. C. Ayers; Asst. Cas., J. D. Jackson.

7114—First National Bank, Colfax, Ia. Capital, $25,000; Pres., W. W. Lyons.

7115—First National Bank, Broken Arrow, I. T. Capital, $25,0000; Pres., John Lonnberg; Vice-Pres., W. T. Brooks; Cas., F. S. Hurd.

7116—First National Bank, Bowbells, N. D. Capital, $25,000; Pres., Howard Dykman; Vice-Pres., Theo. Albrecht; Cas., A. C. Wiper; Asst. Cas., B. M. Wohlwend, Jr.

7117—First National Bank, Fairview, Okla. Capital, $25,000; Pres., David Story; Vice-Pres., J. E. Garnett; Cas., Arthur Hess.

7118—First National Bank, Poteau, I. T. Capital, $25,000; Pres., James H. Myers; Vice-Pres., Gerhard H. Witte; Cas., Thomas B. Wall.

7119—Home National Bank, Llano, Tex. Capital, $60,000; Pres., W. J. Moore; Vice-Pres., W. F. Gray; Cas., W. Vander Stucken.

7120—Exchange National Bank, Coeur d'Alene, Id. Capital, $100,000; Pres., William Dollar; Vice-Pres., James H. Harte and F. A. Blackwell; Cas., Harry A. Kunz.

7121—First National Bank, White Hall, Ill. Capital, $50,000; Pres., Albert P. Grout; Vice-Pres., Harry O. Tunison, Geo. C. Tunison and Thomas K. Condit; Cas., Alonzo Ellis.

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7122—Louisa National Bank, Louisa, Ky. Capital, $30,000; Cas. M. F. Conley.

7123—First National Bank, Claude, Tex. Capital, $25,000; Pres., T. S. Cavins: Cas., J. M. Johnson.

7124—First National Bank, Greens Fork, Ind. Capital, $25,000: Pres. Daniel W. Harris: Vice-Pres., Milo Gentry; Cas., Frank M. Taylor; Asst. Cas., Claude S. Kitterman.

7125—Moffet Bros. National Bank. Capital, $25,000; Pres., E. B. Moffet; Vice-Pres., Robert Boyd and A. C. Moffet; Cas., A. H. Moffet; Asst. Cas., W. W. Charles.

7126—First National Bank, Alta, Ia. Capital, $50,000; Pres., James F. Toy; Vice-Pres., Aaron Conner; Cas., A. R. Browne; Asst. Cas., A. V. Converse.

7127—First National Bank, Apache, Okla. Capital, $25,000; Prest., W. T. Clark; Cas., James M. Bohart, Jr.

7128—First National Bank, Iona, Minn. Capital, $25,000; Pres., C. E. Dinehart; Cas., W. D. White.

7129—Rogers National Bank, Jefferson, Tex. Capital, $25,000; Pres., T. J. Rogers; Vice-Pres. and Cas., B. F. Rogers; Asst. Cas., J. D. Shackelford.

7130—Greenville National Bank, Greenville, O. Capital, $100,000; Pres., John H. Koester; Cas., Frank T. Conkling.

7131—Caldwell National Bank, Caldwell, N. J. Capital, $25,000; Pres., Walter P. Lindsley; Vice-Pres., John J. Van Order; Cas., James S. Throckmorton, Jr.

7132—First National Bank, Columbia City, Ind. Capital, $50,000: Prest., Henry McLallen; Vice-Pres., Elisha L. McLallen and Henry DeW. McLallen; Cas., Walter F. McLallen; Asst. Cas., Thomas L. Hildebrand.

7133—First National Bank, Rexburg, Id. Capital, $50,000; Pres., C. H. Woodmansee; Vice-Pres., J. W. Webster; Cas., Ross J. Comstock.

7134—Farmers' National Bank, White, S. D. Capital, $25,000; Cas., R. H. Holden.

7135—People's National Bank, Gate City, Va. Capital, $25,000; Pres., James B. Richmond; Vice-Pres., David C. Sloan, Wm. C. R. Strong and Isaac G. Cox; Cas., John M. Johnson, Jr.

7136—First National Bank, Wautoma, Wis. Capital, $25,000; Pres., Pres., Charles T. Taylor; Vice-Pres., W. S. Tyler; Asst. Cas., A. G. Holt.

7137—First National Bank, Linn Grove, Ia. Capital, $25,000; Pres., Charles B. Mills; Vice-Pres., J. H. McCord; Cas., Adelbert Tymeson, Jr.

7138—State National Bank, Texarkana, Ark. Capital, $100,000; Cas., E. K. Smith.

7139—Emaus National Bank, Emaus, Penn. Capital, $50,000; Pres., John S. Yeager; Cas., Edwin E. Lorenz.

7140—Citizens' National Bank, Garland, Tex.

Capital, $50,000; Pres., Ben. O. Smith; Vice-Pres., Frances P. Smith; Cas., T. N. Hickman; Asst. Cas., Alice P. Hickman.

7141—American National Bank, Montgomery, Ala. Capital, $100,000; Pres., Wm. Berney; Vice-Pres., J. W. Black; Cas., S. L. Tyson; Asst. Cas., A. J. Jones.

7142—Cass County National Bank, Casselton, N. D. Capital, $25,000; Pres., Robert Riddell; Cas., N. M. Young.

7143—First National Bank, Lake Park, Minn. Capital, $25,000; Pres., P. M. Joice; Vice-Pres., Owen Wagensteen; Cas. J. E. Bakke; Asst. Cas., G. M. Hopp.

NEW BANKS, BANKERS, ETC.

ALABAMA.

ALEXANDER CITY—S. J. Nolen; capital, $5,000; Cas., Roy L. Nolen.

ATMORE—Bank of Atmore; capital, $15,000; Pres., W. W. Lowery; Vice-Pres., J. D. Curtis; Cas., M. M. Brooks.

MONROEVILLE—Monroe County Bank; capital, $15,000; Pres., J. B. Barnett; Vice-Pres., W. S. Wiggins, Sr.; Cas., H. C. Du Bose.

ARKANSAS.

BATESVILLE—Independence County Bank; capital, $22,000; Pres., T. B. Padgett; Vice-Pres., Chas. Cole; Cas., C. H. Hogan.

BENTONVILLE—Fidelity Savings Bank and Loan Co.: capital, $10,000; Pres., W. A. Burks; Vice-Pres., G. A. Chapman; Cas., W. A. Burks.

BIGGERS—Bank of Biggers; capital, $7,000; Pres., D. W. Reynolds; Vice-Pres., B. F. Biggers; Cas., Lee Bolin.

DUMAS—Bank of Dumas; capital, $12,500; Pres., X. J. Pindall; Vice-Pres., D. O. Porter; Cas., H. L. Coulter.

JUDSONIA—Judsonia State Bank (successor to Bank of Judsonia); capital, $10,000; Pres., J. R. Erganbright; Cas., C. M. Erganbright.

NETTLETON—Bank of Nettleton; capital, $10,000; Pres., Ferdinand Kinch; Vice-Pres., J. E. Jones; Cas., Henry Kinch.

CALIFORNIA.

BERKLEY—South Berkley Bank; capital, $10,000; Pres., J. L. Barker; Vice-Pres., Gad Ayhom; Cas., Eke Cole.

DUNSMUIR—State Bank.

SAN FRANCISCO—Mechanics' Savings Bank; capital, $125,000; Pres., James O'B. Gunn; Vice-Pres., George D. Gray; Cas., Frederick H. Clark.

CONNECTICUT.

WINDSOR DOCKS—A. C. Wilcox & Co.; Cas., Robert D. Cary.

GEORGIA.

COCHRAN—Planters' Bank & Trust Co.; capital, $25,000; Pres., A. J. Thompson; Vice-Pres., B. J. Wynne; Cas., Z. V. Peacock; Asst. Cas., J. B. Thompson.

METTER—Bank of Metter; capital, $15,000; Pres., W. S. Witham; Vice-Pres., D. L. Kennedy; Cas., L. H. Sewell.

ILLINOIS.

CARLINVILLE—Farmers & Merchants' Bank; capital, $35,000; Pres., H. A. Steinmeyer; Vice-Pres., Joseph R. Duckles; Cas., Thos. P. Ross; Asst. Cas., Geo. F. Fanning.

DALLAS CITY—Farmers' State and Exchange Bank; Pres., P. E. Walter; Vice-Pres., J. M. Limberger; Cas., Rolla Babcock.

MADISON—Tri-City State Bank; capital, $25,000; Pres., Chas. R. Kiser; Vice-Pres., Henry Meinecke; Cas., C. W. Burton.

MILL SHOALS—Bank of Mill Shoals; capital, $15,000; Pres., Lee Graham; Vice-Pres., W. P. Anderson; Cas., Ulla Barnett.

MONTICELLO—H. V. Moore Banking & Trust Co.; capital, $300,000; Pres., D. M. Moore; Vice-Pres., A. F. Moore; Cas., O. W. Moore; Asst. Cas., G. E. Moore.

TOLONO—Citizens' Bank; Pres., Lawrence Sandwell; Cas., J. A. Corbett; Asst. Cas., A. B. Campbell.

INDIANA.

CROMWELL—Cromwell State Bank; capital, $25,000; Pres., Orlando Kimmell; Vice-Pres., A. B. Mier; Cas., S. B. Tucker.

HENRYVILLE—State Bank; capital, $12,500; Pres., E. L. Elrod; Vice-Pres., Geo. Bollinger; Cas., Wain Wilson.

HYMERA—Bank of Hymera; capital, $15,000.

KINGMAN—Citizens' Bank; capital, $8,000; Pres., C. H. Radcliff; Cas., C. L. Steinbaugh.

NAPOLEON—Napoleon State Bank; capital, $12,500; Pres., Lafayette T. Cox; Vice-Pres., Geo. W. Schmidt; Cas., Milton C. Boerner.

PRINCETON—Citizens' Bank; capital, $50,000; Pres., W. L. West; Vice-Pres., R. S. Anderson; Cas., Alex. Emmerson; Asst. Cas., Roscoe McGinnis.

WOLCOTTVILLE—State Bank (successor to Citizens' Bank); capital, $25,000; Pres., F. P. Sanders; Vice-Pres., J. E. Gault; Cas., A. R. Gillette.

INDIAN TERRITORY.

BRADLEY—Bank of Bradley; capital, $10,000; Pres., A. N. Curry; Cas., C. N. Henry.

SULPHUR—Sulphur Bank and Trust Co.; capital, $27,500; Pres., Geo. H. Hicks; Cas., Eugene E. White.

IOWA.

DAVENPORT—Security Savings Bank; capital, $50,000; Pres., C. J. Ruymann; Vice-Pres., Adolf Ruymann; Cas., Julius F. Rachau.

GARRISON—Farmers' Savings Bank (successor to Bank of Garrison); capital, $20,000; Pres., J. W. Hanna; Vice-Pres., H. C. White.

HARLAN—Security Bank; Pres., E. C. Clapp; Vice-Pres., A. C. Clapp; Cas., R. D. Prouty.

MINEOLA—Mills County German Bank; Pres., L. M. Lord; Cas., Chas. F. Nipp.

TIPTON—Home Savings Bank; capital, $15,000; Pres., J. C. France; Vice-Pres., John Wingert; Cas., S. A. Jennings.

WATERLOO—Iowa State Bank; capital, $50,000; Pres., J. D. Easton; Vice-Pres., Emmons Johnson; Cas. Geo. N. Garrettson.

KANSAS.

BENDENA—Bendena State Bank; capital, $10,000; Pres., J. A. Hamilton; Vice-Pres., Walter Zimmerman; Cas., W. M. Green.

BENEDICT — Bendict State Bank; capital, $10,000; Pres., S. S. Benedict; Vice-Pres., C. A. Sprague; Cas., Wm. H. Pauly.

HIGHLAND—Citizens' State Bank; capital, $12,500; Pres., Geo. S. Hovey; Cas., G. J. Ratcliffe.

MILTON—Milton State Bank; capital, $10,000; Pres., M. L. Hamilton; Vice-Pres., G. A. Talbert; Cas., A. G. Steinberg.

MORLAND—Morland State Bank; capital, $10,000; Pres., G. W. Collins; Vice-Pres., H. C. Brown; Cas., H. C. Hamilton.

RUSH CENTER—Citizens' State Bank; capital, $10,000; Pres., C. H. Lyman; Cas., C. W. Chandler.

KENTUCKY.

ORR—Farmers' Bank; capital, $7,500; Pres., O. L. Townsend; Vice-Pres., Jonas Burk; Cas., W. L. Franklin.

SHARPSBURG—Citizens' Deposit Bank; capital, $7,900; Pres., E. B. Ralls; Cas., A. B. Slaughter.

LOUISIANA.

GIBSLAND—Gibsland State Bank; capital, $11,500; Pres., C. W. Hamner; Vice-Pres., W. L. Kidd; Cas., R. Colbert.

MICHIGAN.

MERRILL—Bank of Merrill; capital, $20,000; Pres., J. H. Whitney; Vice-Pres., D. S. Mason; Cas., R. T. Maynard.

PLAINWELL—Citizens' State Savings Bank (successor to Plainwell Exchange Bank); capital, $20,000; Pres., John N. Ransom; Vice-Pres., E. H. Ingraham; Cas., E. I. Shepard; Asst. Cas., E. W. Bowman.

TEMPERANCE—S. L. Wallace; capital, $5,000; Pres., John S. Knapp; Cas., S. L. Wallace.

MINNESOTA.

FINLAYSON—Bank of Finlayson; capital, $5,000; Cas., John A. Oldenburg.

GIBBON—State Bank (successor to Bank of Gibbon); capital, $30,000; Pres., Henry Gugisburg; Cas., A. E. Nelson.

NASHWAUK—Bank of Nashwauk; capital; $10,000; Pres., A. D. Davidson; Vice-Pres., A. D. McRae; Cas., W. W. Carley.

VIRGINIA—American Exchange Bank; capital, $25,000; Pres., D. B. McDonald; Cas., F. W. Peet.

WEST DULUTH—Western State Bank; capital, $25,000; Pres., James Cochran; Vice-Pres., L. A. Barnes; Cas., J. A. Scott.

MISSISSIPPI.

HICKORY—Bank of Hickory; capital, $12,500; Pres., E. F. Ballard; Vice-Pres., G. B. Harper; Cas., A. H. Chalk.

IUKA—Citizens' Bank; capital, $15,000; Pres., W. T. Ross; Vice-Pres., Geo. P. Hammersly; Cas., E. T. Hammersly.

MISSOURI.

METZ—Metz Banking Co.; capital, $5,000; Pres., E. L. Rodman; Cas., F. I. Rucker.

MONETT—Citizens' Bank; capital, $25,000; Pres., P. Martin; Vice-Pres., A. Othenin; Cas., P. H. Attaway; Asst. Cas., C. Lewis.

ST. CLAIR—Bank of St. Clair; capital, $10,000; Pres., B. Duckworth; Vice-Pres., J. N. Campbell; Cas., Gilbert Lay.

STURGEON—Bank of Sturgeon; capital, $25,000; Pres., J. M. Proctor; Vice-Pres., T. S. Sweeney; Cas., Mo Board; Asst. Cas., R. L. Robinson.

STOTESBURY—D. A. Beck; capital, $5,000; Cas., J. A. Walker.

WINSTON—Farmers' State Bank (successor to Bank of Winston); capital, $10,000; Pres., Daniel Friem; Vice-Pres., E. D. Cutler; Cas., Chas. S. Davis.

WRIGHT CITY—Wright City Bank; capital, $10,000; Pres., C. W. Miller; Vice-Pres., Chas. G. Nieburg; Cas., Geo. Blattner.

NEBRASKA.

DILLER—Diller State Bank; capital, $20,000; Pres., A. Mayborn; Vice-Pres., J. T. Bell; Cas., O. J. Mayborn.

DWIGHT—Dwight State Bank; capital, $5,000; Pres. John W. Burge; Vice-Pres., James Krenk; Cas., Chas. A. Kastl.

RISING CITY—Farmers' State Bank; capital, $15,000; Pres., B. O. Perkins; Vice-Pres., E. Grubbs; Cas., Ralph Stanley.

STOCKHAM—Stockham State Bank; capital, $5,000; Pres., A. B. Houghton; Vice-Pres., S. C. Houghton; Cas., J. D. Hamilton.

NEW YORK.

BINGHAMTON—Cyrus Strong & Co.

CENTRAL VALLEY—A. C. Wilcox & Co.; C. F. Seaman, Cas.

MONTGOMERY—A. C. Wilcox & Co.; F. C. Brown, Cas.

NEW YORK—Daniel J. Sully & Co.

NORTH CAROLINA.

CHADBOURN—Bank of Chadbourn; capital, $10,000; Pres., J. A. Brown; Cas., D. C. Clark.

OHIO.

BOLIVAR—Bolivar State Bank Co.; capital, $12,500; Pres., Isaiah Kline; Vice-Pres., D. F. Lash; Cas., A. A. Maurer.

CANAL WINCHESTER—People's Bank; capital, $12,500; Pres., L. W. Berry; Vice-Pres., Marion Corwin; Cas., E. C. Chaney.

CINCINNATI—Security Sav. Bank & S. D. Co.; capital, $100,000; Pres., Julius Fleischmann; Vice-Pres., D. Wachman; Sec. and Treas., Harry J. Plogstedt.

CLINTON—Clinton Savings Bank; capital, $12,500; Pres., E. R. Held; Vice-Pres., Martin Limbach; Treas., P. M. Frase.

HUDSON—Cleveland Trust Co.; Arthur H. Dittrick, Mgr.

LORAMIE—Loramie Banking Co.; capital, $10,000; Pres., M. Moorman; Vice-Pres., B. J. Wuebker; Cas., W. J. Sherman; Asst. Cas., J. Borger.

MT. GILEAD—People's Savings Bank; capital, $30,000; Pres., Wm. Carlisle; Vice-Pres., N. Tucker; Cas., Samuel P. Gage.

OBERLIN—State Savings Bank; capital, $25,-000; Pres., Geo. C. Prince; Vice-Pres., W. B. Bedortha.

TOLEDO—Market Savings Bank Co.; capital, $50,000; Pres., J. T. Smith; Vice-Pres., John J. Vollmayer; Cas., Wm. G. Vollmayer.

OREGON.

DAYTON—State Savings Bank; capital, $25,-000; Pres., Arthur C. Probert; Vice-Pres., John M. Crawford; Cas., Oliver P. Sackett; Asst. Cas., Leonard A. Rossner.

OAKLAND—Commercial Bank; capital, $15,-000; Pres., A. F. Brown; Vice-Pres., A. B. Grubbe; Cas., Lynn Caton.

PENNSYLVANIA.

QUAKERTOWN—Quakertown Trust Co.; capital, $125,000.

SOUTH CAROLINA.

CAMDEN—Commercial Sav. Bank & Trust Co.; capital, $25,000; Pres., E. S. Vaux; Vice-Pres., D. R. Williams, Jr.; Cas., John T. Mackey.

LAMAR—Bank of Lamar; capital, $10,000; Pres., James A. Cole; Vice-Pres., Jno. McSween; Cas., O. B. Jordan.

SOUTH DAKOTA.

CORONA—Corona State Bank; capital, $5,000; Pres., F. B. Roberts; Vice-Pres., G. C. Middlebrook; Cas., E. P. Brockman; Asst. Cas., F. W. Meehan.

TENNESSEE.

CUMBERLAND CITY—Cumberland City Bank; capital, $25,000; Pres., W. T. Thomas; Vice-Pres., W. B. Scott; Cas., N. Pickard; Asst. Cas., W. H. Latham.

MEMPHIS—North Memphis Savings Bank; capital, $50,000; Pres., G. W. Macrae; Vice-Pres., H. M. Neely; Cas., E. L. Menager; Asst. Cas., E. B. McKemey.

NASHVILLE—State Trust Co.; capital, $100,-000; Pres., Edgar Magness; Vice-Pres., Samuel Scroggins; Cas., Jno. C. Adamson.

SAVANNAH—Citizens' Bank; capital, $30,000; Pres., Edgar Cherry; Vice-Pres., J. K. Barlow; Cas., D. A. Welch.

VIRGINIA.

RICHLANDS—Richlands Branch Interstate Finance & Trust Co., capital, $50,000.

WASHINGTON.

BUCKLEY—Bank of Buckley; capital, $5,000; Pres., Anthon Eckern; Cas., C. O. Steberg.

WAITSBURG—Exchange Bank; capital, $30,-000; Pres., B. R. Lewis; Vice-Pres., Jno. J. Skuse; Cas., E. P. Keefe.

WALLA WALLA—Union Savings Bank; capital, $50,000; Pres., S. E. Carr; Vice-Pres., John G. Miller; Asst. Cas., W. S. Wharton.

WEST VIRGINIA.

BRUCETOWN MILLS—Brucetown Bank; capital, $100,000; Pres., L. E. Friend; Vice-Pres., Jeremiah Thomas; Cas., C. R. Bartlett.

WISCONSIN.

BAYFIELD—Bayfield State Bank; capital, $10,000.

DE SOTO—De Soto State Bank; capital, $5,-000; Pres., E. J. Gable; Vice-Pres., F. Woodbury; Cas., C. A. Wright.

FALL RIVER—First State Bank; capital, $10,000; Pres., John Foster; Vice-Pres., G. W. Stephens; Cas., L. E. Everson; Asst. Cas., Geo. Rockafellow.

MONROE—Commercial & Savings Bank; capital, $100,000; Pres., C. W. Twining; Vice-Pres., John Gettings; Cas., Geo. E. Thorp; Asst. Cas., J. B. Herren.

ROSHOLT—State Bank; capital, $10,000; Pres., J. G. Rosholt; Vice-Pres., A. J. Rosholt; Cas., Carl Rosholt.

VIOLA—Citizens' Bank.

SOUTH WAYNE—Bank of South Wayne; capital, $10,000; Pres., J. S. Waddington; Cas., Oscar J. Olson.

CANADA.

BRITISH COLUMBIA.

LADNER—Royal Bank of Canada; H. K. Wright, Mgr.

NOVA SCOTIA.

AMHERST—Royal Bank of Canada; J. H. Abbott, Mgr.

ONTARIO.

OMEMEE—Bank of Toronto; A. L. Amys, Mgr.

RUSSELL—Bank of Ottawa; John I. Rankin, Acting Mgr.

CHANGES IN OFFICERS, CAPITAL ETC.

ALABAMA.

ENSLEY—First National Bank; Gordon DuBose, Pres. in place of J. W. Minor; J. W. Minor, Vice-Pres. in place of Gordon DuBose; H. J. Cummings, Asst. Cas.

EVERGREEN — People's Bank; capital increased to $100,000.

GREENSBORO—First National Bank; J. A. Blunt, Pres. in place of Lee M. Otts; Chas. Stollenwerck, Cas. in place of O. M. Otts.

THOMASVILLE—First National Bank; J. G. Cunughause, Asst. Cas. in place of J. D. Norwood.

ARKANSAS.

LITTLE ROCK—Exchange National Bank;

Allen N. Johnson, Pres. in place of Chas. F. Penzel; J. S. Pollock, Vice-Pres. in place of J. Niemeyer; H. C. Rather, Cas. in place of J. S. Pollock; W. L. Hemingway, Asst. Cas. ——State National Bank; Ed. Cornish, Pres. in place of J. E. England; J. E. England, Jr.; Vice-Pres. in place of Ed. Cornish.

SILOAM SPRINGS—Bank of Siloam; capital increased to $50,000.

CALIFORNIA.

HANFORD—First National Bank; no Asst. Cas. in place of A. D. King.

LONG BEACH—National Bank of Long Beach; Geo. H. Bixby, Vice-Pres.: A. S. Cates, Asst. Cas. in place of Frank McCutchen.

LOS ANGELES—First National Bank; B. Q. Stone, Vice-Pres. in place of Jno. D. Bicknell.——Commercial National Bank; Newman Essick, Asst. Cas.

POMONA—First Nat. Bank; Chas. E. Walker. Vice-Pres. in place of A. T. Currier; Chas. M. Stone, Cas. in place of Chas. E. Walker; A. C. Abbott, Asst. Cas.

RIVERSIDE—Orange Growers' Nat. Bank; E. B. Howe, Vice-Pres.; C. L. Daniels, Asst. Cas.

SACRAMENTO—National Bank of D. O. Mills & Co.; C. F. Dillman, Pres. in place of Frank Miller; F. H. Pierce, Cas. in place of C. F. Dillman; no Asst. Cas. in place of Dwight H. Miller.

SAN MATEO—San Mateo Bank; Phil M. Roedel, Cas., deceased.

SAN PEDRO—First National Bank: Charles Nicolai, Cas.

COLORADO.

GOLDEN—Woods-Rubey National Bank; W. S. Woods, Pres. in place of J. W. Rubey; no Vice-Pres. in place of W. P. Benedict.

HOTCHKISS—First National Bank; Charles L. Pike, Cas. in place of John E. Hanson; D. W. Thomas, Asst. Cas.

PUEBLO—Pueblo Savings Bank; Walter Davis, Cas., resigned.

CONNECTICUT.

BRIDGEPORT—Pequannock National Bank; Farnam C. Fox, Asst. Cas.——Bridgeport National Benk; H. I. Woodworth, Asst. Cas. in place of John S. Griffith.

GUILFORD — Guilford National Bank; C. Stone Spencer, Pres. in place of G. B. Spencer, deceased; E. Walter Leete, Vice-Pres. in place of John A. Phelps.

FLORIDA.

MILTON—First National Bank; C. H. Jernagan, Cas. in place of D. T. Williams.

PENSACOLA—American National Bank; H. L. Covington, Pres. in place of W.C. O'Neal, deceased; C. M. Lamar, Vice-Pres.

GEORGIA.

ATLANTA—Atlanta National Bank; C. E. Currier, Pres. in place of Paul Romare, deceased; Hugh T. Inman, Vice-Pres. in place of C. E. Currier; H. R. Bloodworth, Cas.; Geo. R. Donovan, Asst. Cas.; Jas. S. Floyd, Asst. Cas.

DAWSON—City Nat. Bank; J. E. Morris, Asst. Cas.

LOUISVILLE—First National Bank; R. L. Gamble, Pres. in place of Hugh M. Comer; James B. Polhill, Vice-Pres. in place of R. L. Gamble; C. V. Clark, Asst. Cas.

MACON—First National Bank; R. E. Findlay, Cas. in place of Luther Williams.

ILLINOIS.

AUGUSTA—First National Bank; L. H. Dexter, Third Vice-Pres.; S. E. McAfee, Cas. in place of L. H. Dexter; Frank H. Eastman, Asst. Cas. in place of S. E. McAfee.

EAST ST. LOUIS—First National Bank; Ben T. Goodwin, Cas. in place of J. J. McLean.

MONTICELLO—First National Bank; William Brighton, Cas. in place of O. W. Moore.

NAPERVILLE—First National Bank; H. H. Goodrich, Pres. in place of Thomas P. Phillips; J. A. Schmidt, Vice-Pres. in place of H. H. Goodrich; Frank G. Keller. Asst. Cas.

RAYMOND—First National Bank; J. H. Cass, Asst. Cas.

SHELBYVILLE—First National Bank; W. S. Middlesworth, Sec.-Vice-Pres.; E. C. Tackett, Asst. Cas. in place of W. S. Middlesworth.

INDIANA.

AURORA—Aurora National Bank; G. W. Wood, Asst. Cas.

LAWRENCEBURG—Citizens' National Bank; Cornelius O'Brien, Asst. Cas.

NEW ALBANY—Second National Bank; S. Otto Rady, Asst. Cas.

VEVAY—First National Bank; A. J. Schenck, Asst. Cas.

INDIAN TERRITORY.

HOLDENVILLE—National Bank of Holdenville; Hill H. Schaff, Vice-Pres., in place of R. M. McFarlin; W. A. Pollock, Jr., Cas. in place of W. A. Taylor.

MIAMI—First National Bank; S. C. Fullerton, Pres. in place of E. B. Frayser; Moody R. Tidewell, Cas. in place of S. D. Harper; C. D. Lykins, Asst. Cas.

PAUL'S VALLEY—National Bank of Commerce; A. E. Ramsey, Cas. in place of Chas. R. Walterhouse.

SAPULPA—First National Rank; no Cas. in place of W. W. Lehnhard; Cleat Peterson, Asst. Cas.

VINITA—Vinita National Bank; J. F. Quillian, Cas. in place of Davis Hill.

WELEETKA—Weleetka National Bank; T. W. Blackman, Pres. in place of J. D. Boxley; J. W. Yates, Vice-Pres. in place of T. W. Blackman; W. B. Blake, Cas. in place of E. L. Blackman.

IOWA.

ARMSTRONG—First National Bank; S. O. Safholm, Asst. Cas.

BAGLEY—First National Bank; F. H. Jenkins, Cas.

BURT—First National Bank; F. J. Mann, Asst. Cas.

CHARITON—First National Bank; Joseph Braden, Pres. in place of S. H. Mallory; F. R. Crocker, Vice-Pres. in place of Joseph Braden.

CHARTER OAK—First National Bank; A. J. Eggen, Cas. in place of E. E. Springer.

COUNCIL BLUFFS—First National Bank; C. A. Wiley and G. F. Spooner, Asst. Cas.

DECORAH—Winneshelk County State Bank; Ray Algyer, Cas. in place of E. W. D. Holway.

DEEP RIVER—First National Bank; Otto Emal, Asst. Cas. in place of E. T. Whitney.

DUBUQUE—Dubuque National Bank; J. F. Harragan, Asst. Cas.

FOREST CITY—Forest City National Bank; G. S. Gilbertson, Pres. in place of C. J. Thompson.

GRINNELL—First National Bank; W. C. Staat, Asst. Cas. in place of S. J. Pooley.

HUDSON—First National Bank; W. J. Glenny, Asst. Cas.

HULL—First National Bank; John Van de Berg, Sec. Vice-Pres. in place of M. D. Gibbs; J. V. Wilson, Asst. Cas. in place of A. F. McKellar.

LOST NATION—First National Bank; H. A. Mohl, Cas. in place of A. L. Cook.

LYONS—First National Bank; M. J. Gabriel, Asst. Cas.

OSKALOOSA—Oskaloosa National Bank; H. L. Lane, Asst. Cas.

ROCK VALLEY—First National Bank; J. A. Huizenga, Asst. Cas.

SIOUX CITY—People's Savings Bank; A. T. Bennett, Pres. in place of Fred A. Bennett; Frank W. Kemp, Cas. in place of A. T. Bennett.——Security National Bank; C. W. Britton, Asst. Cas.

STUART—First National Bank; A. C. Curtis, Vice-Pres.; no Asst. Cas. in place of A. C. Curtis.

TIPTON—City National Bank; W. J. Moore, Pres. in place of J. H. Coutts, deceased; Paul Heald, Asst. Cas.

VILLISCA—First National Bank; D. E. Lomus, Asst. Cas.

WATERLOO—Black Hawk National Bank; F. F. McElhinney, Pres. in place of D. W. Crouse.——Commercial National Bank; E. W. Miller, Asst. Cas. in place of C. W. Illingworth.——Waterloo National Bank; no Cas. in place of Geo. N. Garrettson; Ralph A. Law, Asst. Cas.

KANSAS.

CHEROKEE—First National Bank; M. H. Alberty, Pres. in place of Joseph Lucas; T. G. Wiles, Vice-Pres. in place of M. H. Alberty; no Asst. Cas. in place of W. O. Estes.

GREAT BEND—First National Bank; J. E. Daw, Asst. Cas. in place of T. M. Seard.

MARYSVILLE—First National Bank; E. A. Hohn, Asst. Cas.

MOUNT HOPE—First National Bank; Michael Lill, Pres. in place of G. C. Robbins.

STERLING—First National Bank; A. L. McMurphy, Vice-Pres. in place of D. J. Fair.

WAMEGO—First National Bank; W. R. Johnson, Pres. in place of H. E. Shortt; J. M. Huston, Vice-Pres. in place of E. R. Johnson.

WASHINGTON—First National Bank; W. J. Swan, Vice-Pres. in place of T. B. Fredendall; G. E. Barley, Cas. in place of W. J. Swan.

WINFIELD — First National Bank; G. G. Gary, Asst. Cas.——Winfield National Bank; John L. Parsons, Vice-Pres.

KENTUCKY.

CYNTHIANA—Farmers' National Bank; C. H. Cox, Cas. in place of A. S. Rice.

DANVILLE—Farmers' National Bank; Thos. McRoberts, Vice-Pres., deceased.

LOUISVILLE—First National Bank; C. C. Bickel, Vice-Pres.

PETERSBURG—Farmers' Bank; Ira Kemper, Cas., resigned.

WEST POINT—Kentucky and Indiana State Bank; D. S. Roberts, Cas. in place of W. F. Ogden.

STANFORD—First National Bank; S. T. Harris, Vice-Pres.

LOUISIANA.

NEW ORLEANS—New Orleans National Bank; A. Baldwin, Jr., Second Vice-Pres.; F. E. Rees, Asst. Cas. in place of D. G. Baldwin.——Germania National Bank; S. V. Fornaris, Pres. in place of J. C. Denis; no Vice-Pres. in place of H. Abraham and W. B. Rogers; R. J. Kennedy and H. Kahle, Asst. Cashiers.

MARYLAND.

BALTIMORE—National Marine Bank; Thos. F. Shriver, Asst. Cas.——Commercial and Farmers' National Bank; G. A. Von Lingen, Vice-Pres.; Harry M. Mason, Cas. in place of Wilson Keyser; Wilson Keyser, Asst. Cas.

STEVENSVILLE—Stevensville Savings Bank; E. L. Melvin, Cas., resigned.

MASSACHUSETTS.

ARLINGTON—First National Bank; James A. Bailey, Jr., Vice-Pres. in place of Alfred D. Hoitt.

BOSTON—National Webster Bank and Atlas National Bank; reported consolidated under title of Webster-Atlas National Bank.

FALL RIVER—Massasoit-Pocasset National Bank; John T. Burrell, Asst. Cas., deceased.

HOLYOKE — Hadley Falls National Bank; Joseph A. Skinner, Pres. in place of C. B. Prescott.

IPSWICH—First National Bank; Edward H. Little, Pres. in place Henry R. Little; Francis D. Henderson, Vice-Pres. in place of W. S. Russell.

LEE—Lee National Bank: E. L. Murphy, Asst. Bas.——Lee Savings Bank; E. S. Rogers, Treas. in place of J. L. Kilbon.

MARLBORO—People's National Bank; Sillman R. Stevens, Cas. in place of John L. Stone, resigned; Frank P. Craig, Asst. Cas.

PEABODY—Warren Five Cents Savings Bank; Rufus H. Brown, Pres., deceased.

MICHIGAN.

ITHACA—Ithaca National Bank; Isaac S. Seaver, Pres. in place of A. S. Barber.

KALAMAZOO—City National Bank; H. W. Parker, Asst. Cas.

MARQUETTE—Marquette National Bank; W. Fitch, Pres. in place of Edgar H. Towar.

MENOMINEE—Lumbermen's National Bank; W. O. Carpenter, Pres. in place of S. P. Gibbs; Wm. Holmes, Vice-Pres., in place of W. O. Carpenter.

ROCKLAND—Ontonagon County National Bank; title changed to First National Bank.

ROMEO—Citizens' National Bank; Henry J. McKay, Vice-Pres. in place of S. A. Reade.

MINNESOTA.

BAGLEY—First National Bank; S. S. Stadsvold, Vice-Pres. in place of A. Kaiser; A. Kaiser, Cas. in place of Sam Olson; Henry Huseby, Asst. Cas.

CROOKSTON—First National Bank; C. F. Mix, Asst. Cas.

DODGE CENTER—Farmers' National Bank; H. R. Whitney, Asst. Cas.

EMMONS—First National Bank; J. G. Ostby, Asst. Cas.

FERGUS FALLS—Fergus Falls National Bank; E. J. Webber, Pres. in place of P. M. Joice.

FERTILE—Citizens' National Bank: C. M. Berg, Cas. in place of M. T. Dalquist: C. L. Larson, Asst. Cas. in place of B. E. Dalquist.

GRAND MEADOW—First National Bank: R. E. Crane, Pres.; Benjamin Wright, Vice-Pres.

IVANHOE—Ivanhoe National Bank; L. M. Townsend, Pres. in place of Hans Lavesson; G. B. Olson, First Vice-Pres. in place of John G. Tucker; A. E. Anderson, Sec. Vice-Pres.

MADISON—First National Bank; O. E. Hauge, Asst. Cas. in place of Peter Beagh.

MINNESOTA—First National Bank; no Asst. Cas. in plase of C. T. Dahl.

MINNESOTA LAKE—Farmers' National Bank; no Sec. Vice-Pres. in place of Wm. Heller; W. W. Griggs, Asst. Cas.

PARKER'S PRAIRIE—First National Bank; A. J. Campbell, Cas.; Lester J. Fitch, Asst. Cas.

ROCHESTER—Rochester National Bank; C. C. Storing, Asst. Cas.

ST. JAMES—First National Bank; Frank O'Meara, Sec. Vice-Pres.: Thomas Tonnesson, Cas. in place of Frank O'Meara: W. F. Schoffman, Asst. Cas. in place of Thomas Tonnesson.

MISSISSIPPI.

ABERDEEN—First National Bank; no Cas. in place of C. R. Sykes.

CLARKSDALE—First National Bank; R. H. Crutcher, Cas. in place of W. P. Wildberger.

LAUREL—Laurel National Bank; John Kamper, Pres. in place of Edward D. Pierce; S. H. Floyd, Vice-Pres. in place of John Kamper; T. W. Yates, Asst. Cas.

WEST POINT—First National Bank; P. B. Dugan, Pres. in place of J. A. Crawford.

MISSOURI.

CHILLICOTHE—First National Bank; John T. Milbank, Pres. in place of W. A. Henderson.

HAMILTON—First National Bank; C. A. Greene, Asst. Cas.

MONETT—First National Bank; Willis W. Lehnhard, Cas. in place of R. H. Attaway; G. E. Badger, Asst. Cas.

PEIRCE CITY—Peirce City National Bank; J. E. Coppock, Pres. in place of A. L. White: O. F. Hellweg, Cas. in place of J. E. Coppock; V. D. Chapman, Asst. Cas. in place of O. F. Hellweg.

ST. LOUIS—Washington National Bank; Adolph Daust, Vice-Pres.; W. Frank Street, Asst. Cas.——Mechanics' National Bank: H. P. Hilliard, Vice-Pres.; J. S. Calfee, Asst. Cas. in place of Franklin P. Jones.

TRENTON—Farmers' Exchange Bank and American Bank: consolidated under former title.

SPRINGFIELD—National Exchange Bank; John F. Meyer, Pres. in place of N. M. Rountree: L. S. Meyer, Sec. Vice-Pres. in place of J. L. Holland; M. C. Baker, Third Vice-Pres.: E. S. Sanford, Cas. in place of M. C. Baker.

MONTANA.

BUTTE CITY—Silver Bow National Bank; G. B. Harrington, Asst. Cas.

NEBRASKA.

MEADOW GROVE — Meadow Grove State Bank: G. A. Luikart, Pres., deceased.

NORFOLK—Citizens' National Bank; G. A. Luikart, Pres., deceased; L. P. Pasewalk, Cas. in place of W. H. Johnson; J. E. Haase, Asst. Cas. in place of L. P. Pasewalk.

OSMOND—Security State Bank; Fred Braasch, Cas. in place of A. M. Day; W. F. Boye, Asst. Cas.

TILDEN—Tilden State Bank; G. A. Luikart, Pres., deceased.

WISNER—First National Bank: Wm. Armstrong, Asst. Cas. in place of F. J. Malchow.

NEW HAMPSHIRE.

SALMON FALLS—Salmon Falls Bank; Orange S. Brown, Pres., deceased.

NEW JERSEY.

CLINTON—Clinton National Bank; Joseph Van Syckel, Pres., deceased.

DOVER—National Union Bank; C. R. Mulligan, Pres. in place of Hudson Hoagland; Fred H. Beach, Vice-Pres. in place of C. R. Mulligan.

MORRISTOWN—Morris County Savings Bank; Henry W. Miller, Pres., deceased.

PENNINGTON—First National Bank; Oliver B. Gray, Pres. in place of E. S. Wells.

SALEM—Salem National Banking Co.; Jacob House, Vice-Pres.

NEW MEXICO.

ALBUQUERQUE — Bank of Commerce; Solomon Luna, Pres. in place of M. S. Otero, deceased.

TUCUMCARI—First National Bank; Frank P. Harman, Pres.

NEW YORK.

ALBANY—Albany Exchange Savings Bank; Frederick A. Mead, Pres. in place of Jos. A. Lansing.

FRANKLIN—First National Bank; Edson C. Stewart, Pres. in place of E. S. Munson; L. F. Raymond, Vice-Pres.; W. D. Ogden, Cas. in place of Edson C. Stewart; no Asst. Cas. in place of W. D. Ogden.

FRANKLINVILLE—Union National Bank; E. E. J. Grierson, Asst. Cas.

GENESEO—Genesee Valley National Bank; Wm. M. Shirley, Asst. Cas.

HOMER—Homer National Bank; A. H. Bennett, Pres. in place of W. H. Crane; C. S. Pomeroy, Cas. in place of A. H. Bennett; no Asst. Cas. in place of C. S. Pomeroy.

KINGSTON—Ulster County Savings Instn.; John W. Searing, Pres. in place of Alton B. Parker.

MOUNT MORRIS — Genesee River National Bank; J. W. Wadsworth, Pres.

NEW YORK—Hanover National Bank; Wm. Logan, Cas., deceased.——Oriental Bank; Richard B. Eastbrook, Asst. Cas.——American Exchange National Bank; John S. Carr, Asst. Cas., deceased.——Simon Borg & Co.; Simon Borg, deceased.——Morton Trust Co.; Chas. H. Allen, Vice-Pres.

ONEIDA—Farmers and Merchants' State B'k; A. B. Munroe, Pres.; Eugene E. Coon, Cas. in place of Emmons E. Coe.

PERRY—First National Bank; no Asst Cas. in place of Geo. K. Page.

ROCHESTER—Traders' National Bank; C. H. Palmer and Darrell D. Sully, Vice-Pres.; C. E. Bowen, Cas. in place of C. H. Palmer; H. F. Marks, Asst. Cas. in place of C. E. Bowen; W. J. Trimble, Asst. Cas.

NORTH CAROLINA.

ELKIN—Elkin National Bank; T. A. Hunt, Asst. Cas.

LEXINGTON—National Bank of Lexington; J. T. Williamson, Jr., Asst. Cas.

NEWBERN—Citizens' Bank; H. M. Groves, Cas., resigned.

RALEIGH—National Bank of Raleigh; J. B. Timberlake, Jr., Asst. Cas.

NORTH DAKOTA.

DICKINSON—First National Bank; C. J. Phelan, Asst. Cas. in place of John Courtney.

HILLSBORO—Hillsboro National Bank; J. E. Lasham, Pres. in place of A. L. Plummer; S. M. Hydle, Cas. in place of J. E. Lasham.

KNOX—First National Bank; Geo. F. Porter, Pres.; W. P. Brown, Cas. in place of J. A. Minckler; L. C. Cooley, Asst. Cas.

OHIO.

ARCANUM—First National Bank; no Cas. in place of C. C. Taylor.

ASHTABULA—Marine National Bank; W. B. Hubbard, Asst. Cas.

BARBERTON—American National Bank; A. W. Blackburn, Cas. in place of H. B. Houghton; W. H. Auck, Asst. Cas.

BUCYRUS—Second National Bank; A. G. Stoltz, Asst. Cas. in place of W. H. Auck.

CAREY—First National Bank; Byron Ogg, Pres. in place of W. W. Edwards; no Vice-Pres. in place of Byron Ogg; J. L. Culler, Cas. in place of R. G. Spencer, Jr.

CIRCLEVILLE—Third National Bank; A. C. Bell, Pres. in place of W. J. Weaver; Geo. Bennett, Vice-Pres. in place of A. C. Bell.

COLLEGE CORNER—First National Bank; W. E. Bake, Pres. in place of Oscar Stout; Oscar Stout, Vice-Pres. in place of Henry Witter; no Sec. Vice-Pres. in place of W. E. Bake.

FINDLAY—Farmers' National Bank; title changed to Buckeye National Bank.

KENT—Kent National Bank; G. E. Hinds, Cas. in place of W. S. Kent.

LOCKLAND—First National Bank; L. F. Mohr, Asst. Cas.

MT. GILEAD—National Bank of Morrow County; S. P. Gage, Sec. Vice-Pres.; H. B. McMillin, Cas. in place of S. P. Gage; A. B. Whitney, Asst. Cas. in place of H. B. McMillin.

NEWARK—People's National Bank; E. M. Baugher, Vice-Pres.; Edson B. Dennis, Cas. in place of J. M. Maylone; C. M. Thompson, Asst. Cas.

PORT CLINTON—First National Bank; H. B. Bredbeck, Vice-Pres. in place of W. S. Miller; Frank Holt, Cas.; J. A. Hollinshead, Asst. Cas. in place of Frank Holt.

WAPAKONETA—First National Bank; no Cas. in place of Jacob Hauss.

YOUNGSTOWN—Second National Bank; H. M. Garlick, Vice-Pres.; R. E. Cornelius, Cas. in place of H. M. Garlick; no Asst. Cas. in place of R. E. Cornelius.

OKLAHOMA.

ALVA—Alva National Bank; in hands of Receiver January 9; resumed business January 21.

KILDARE—Kildare State Bank; capital increased to $10,000.

STROUD—First National Bank; no Sec. Vice-Pres. in place of F. G. Dennis; F. G. Dennis,

Cas. in place of E. H. Emmerson; W. A. Green, Asst. Cas. in place of E. E. West.

TALOGA—First National Bank; Milton Shultise, Pres. in place of J. C. Strang.

OREGON.

PENDLETON—First National; G. M. Rice, Cas. in place of C. B. Wade; Geo. Hartman, Jr., Asst. Cas. in place of H. F. Johnson.

PENNSYLVANIA.

AMBLER—First National Bank; Richard V. Mattison, Pres. in place of Joseph Haywood.

ATHENS—Athens National Bank; Stephen F. Robinson, Cas. in place of M. J. Murphy.

BURWICK—First National Bank; W. J. Hehl, Asst. Cas.

BETHLEHEM—First National Bank; Abraham S. Schropp, Vice-Pres. in place of John Fritz; Thomas F. Keim, Asst. Cas.

CATAWISSA—First National Bank; S. D. Rinard, Pres. in place of J. H. Vastine; C. P. Pfahler, Vice-Pres. in place of S. D. Rinard.

CECIL—First National Bank; Adam Wagner, Pres.; A. J. Debruxeller, Vice-Pres.*

CLAIRTON—Clairton National Bank; Carl C. Law Pres. in place of Edwin L. Porter; no Vice-Pres. in place of J. A. Langfitt.

DOYLESTOWN—Doylestown National Bank; John G. King, Vice-Pres.; W. Henry Garges, Cas. in place of Isaac Roberts.

FALLS CREEK—Frst National Bank; Fred A. Lane, Pres. in place of D. T. Dennison; J. A. Miller, Vice-Pres. in place of Fred A. Lane; D. T. Dennison, Cas in place of J. A. Miller.

FREDERICKTOWN—First National Bank; Lee M. Crowthers, Pres. in place of J. H. Sanford; H. S. Piersol, Vice-Pres. in place of Lee M. Crowthers.

GLASSPORT—Glassport National Bank; S. A. Bryce, Pres. in place of James Evans; James Evans, Vice-Pres. in place of S. A. Bryce.

HAYES—Hayes National Bank; Arthur Ball, Cas. in place of Edward E. Ebbert.

JEANNETTE—First National Bank; H. S. Patterson, Asst. Cas.

KITTANNING—Merchants' National Bank; J. Frank Graff, Pres. in place of James B. Neale.

KNOX—Clarion County National Bank; no Cas. in place of John Gibson; H. E. Gibson, Asst. Cas.

MONACA—Citizens' National Bank; Frances L. Youtes, Asst. Cas.

MONESSEN—People's National Bank; F. G. Dewar, Asst. Cas.

NEWTOWN — First National Bank; H. B. Hogeland, Cas. in place of S. C. Case.

PHILADELPHIA—Union National Bank: W. H. Carpenter, Pres. in place of D. Faust: no Vice-Pres. and Cas. in place of W. H. Carpenter.

PITTSBURG—German National Bank; E. J. Frauenheim, 2d Vice-Pres.: A. A. Vilsack, Asst. Cas.——Diamond National Bank; D. C. Wills, Cas. in place of H. C. Wettengel, resigned.

POTTSVILLE—Miners' National Bank; Jacob S. Ulmer, Pres. in place of Heber S. Thompson; J. H. Mudey, Vice-Pres. in place of Jacob S. Ulmer.

RICES LANDING — Rices Landing National Bank; J. T. Neel, Pres. in place of E. G. Bailey; Thos. Hughes, Vice-Pres. in place of Oscar Hartley.

SHINGLEHOUSE—First National Bank; C. A. Wolcott, Vice-Pres.

STONEBORO—First National Bank; E. W. Echols, Pres. in place of Theo. N. Houser; Theo. N. Houser, Cas.

SWINEFORD—First National Bank; A. Kreeger, Pres. in place of M. K. Scoch; M. K. Scoch, Vice-Pres. in place of B. W. Yoder.

WAYNESBURG—American National Bank; James E. Sayers, Pres. in place of Thomas Adamson; Peter Bradley, First Vice-Pres.: John T. Shiplet, Second Vice-Pres.; Patrick J. Bradley, Cas. in place of Thos. C. Bradley.

WILMERDING—Wilmerding National Bank; F. A. Faller, Pres. in place of H. L. Greer; Thomas S. Patch, Vice-Pres. in place of F. A. Faller; G. W. Van Gorder, Cas. in place of W. S. Finney; H. S. Miller, Asst. Cas.

SOUTH CAROLINA.

COLUMBIA—Carolina National Bank; J. S. Muller, Vice-Pres. in place of Wile Jones; S. H. Weighar, Asst. Cas.

PICKENS—Pickens Bank; C. H. Alexander, Asst. Cas.

SOUTH DAKOTA.

TYNDALL—Security Bank; capital increased to $35,000.

TORONTO—First National Bank; H. C. Peterson, Asst. Cas.

TENNESSEE.

BRISTOL—National Bank of Bristol; Charles W. Warden, Cas.

MEMPHIS—Mercantile Bank; John Armistead, Pres., deceased.——State National Bank: M. G. Buckingham, Asst. Cas.

MURFREESBORO — Stones River National Bank; Frank White, Asst. Cas.

PULASKI—Citizens' National Bank; J. B. Stacy, Pres. in place of J. D. Pullen; H. M. Grigsby, Vice-Pres. in place of R. H. Porter.

SPARTA—First National Bank; Thos. Mason, Asst. Cas.

TEXAS.

ALBA—Alba National Bank; D. S. Armstrong, Asst. Cas.

ALBANY—First National Bank; N. L. Bartholomew, 2d Vice-Pres.; A. W. Reynolds, Cas. in place of N. L. Bartholomew; no Asst. Cas. in place of A. W. Reynolds.

ANSON—First National Bank: C. H. Steele, Pres. in place of R. R. Shepard; J. J. Steele,

Cas. in place of C. H. Steele; no Asst. Cas. in place of C. H. Pool.

BRENHAM—First National Bank; T. A. Low, Pres. in place of Heber Stone.

CELESTE—First National Bank: H. E. Jones, Vice-Pres. in place of W. E. Weldon; G. K. Cheatham, Cas. in place of H. S. Rogers.

CLEBURNE—Farmers and Merchants' National Bank; S. B. Allen, Pres., resigned. ——National Bank of Cleburne; S. M. Hill, Pres. in place of W. F. Ramsey; W. F. Ramsey, Vice-Pres. in place of J. A. Eastwood; D. E. Waggoner, 2d Vice-Pres.; S. B. Norwood, Cas. in place of D. E. Waggoner: Oscar E. Poole, Asst. Cas. in place of S. B. Norwood.

COMANCHE—First National Bank; Jno. T. Jay, Vice-Pres. in place of J. W. Cunningham; Ned Holman, Cas. in place of J. B. Herndon; O. L. Hamilton, Asst. Cas. in place of Ned Holman.

CROCKETT—Farmers and Merchants' National Bank and First National Bank; consolidated under latter title.

DECATUR—City National Bank; E. L. Lillard, Vice-Pres. in place of J. F. Lillard; Guinn Williams, Cas. in place of E. L. Lillard.

GALVESTON—Galveston National Bank; no Sec. Vice-Pres. in place of G. M. Ryan; B. Groce, Asst. Cas.

GOLDTHWAITE—Goldthwaite National Bank; J. H. Frizzell, Cas. in place of J. W. Driskill.

GRANGER—First National Bank; J. M. Jarrell, Vice-Pres. in place of R. McDaniel; R. McDaniel, Cas. in place of David C. Young.

GROVETON—First National Bank; L. P. Atmar, Cas. in place of L. R. Fife; C. B. Granbury, Asst. Cas. in place of L. P. Atmar.

HOWE—Farmers' National Bank; Lee Brooks, Asst. Cas.

MARSHALL—Marshall National Bank; M. M. Rains, Vice-Pres.; W. C. Pierce, Jr., Asst. Cas.

MOODY—First National Bank; J. C. Reynolds, Pres. in place of F. F. Downs; J. W. Donaldson, Cas. in place of J. C. Reynolds; T. J. Buckner, Asst. Cas. in place of J. W. Donaldson.

NAVASOTA—Citizens' National Bank; W. S. Craig, Pres. in place of W. R. Howell.

PEARSALL—Pearsall National Bank: A. V. Harris, Cas. in place of R. M. Riggan; Geo. H. Beever, Asst. Cas.

THROCKMORTON—First National Bank; T. S. Richards, Vice-Pres. in place of A. B. King.

TULIA—Tulia National Bank; L. T. Lester, Pres. in place of W. C. Dinwiddie; A. J. Bivens, Vice-Pres. in place of L. T. Lester; W. A. Donaldson, Cas.

WYLIE—First National Bank; V. B. Gallagher, Cas. in place of W. Z. Hayes; J. H. Day, Asst. Cas.

VERMONT.

RUTLAND—Baxter National Bank; Charles Clark, Cas. in place of G. R. Bottum, deceased.

VIRGINIA.

LURAY—Page Valley National Bank; T. J. Berrey, Pres. in place of Wm. O. Yeager; J. P. Grove, Vice-Pres. in place of T. J. Berrey.

WASHINGTON.

PULLMAN—First National Bank; Gay Lombard, Cas. in place of J. W. Stearns.

TACOMA—Lumbermen's National Bank; R. L. McCormick, Pres. in place of R. D. Musser; capital increased to $150,000.

WEST VIRGINIA.

PARKERSBURG—Parkersburg National Bank; C. Nelly, Pres. in place of H. C. Henderson.

PIEDMONT—First National Bank; M. A. Patrick, Pres. in place of J. S. Jammesson; J. D. Howard, Cas. in place of M. A. Patrick.

WEST UNION—First National Bank; J. W. Smith, Jr. Cas. in place of L. R. Warren.

WISCONSIN.

ANTIGO—First National Bank; no Asst. Cas. in place of F. T. Zenter.

BERLIN—Berlin National Bank; E. Grant Bunce, Asst. Cas. in place of Horace E. Stedman.

MARSHFIELD—First National Bank; John Seubert, Asst. Cas.

MINERAL POINT—First National Bank; Calvert Spensley, Pres. in place of R. J. Penhallegon, Sr.; Phil Allen, Jr., Vice-Pres. in place of Chas. W. McIlhon; F. E. Hanscom, Cas. in place of Phil Allen, Jr.

OSHKOSH—National Union Bank; A. T. Heningm, Asst. Cas.

RACINE—Manufacturers' National Bank; E. J. Hueffner, Pres. in place of Stephen Bull; Thomas M. Kearney, Vice-Pres. in place of E. J. Heuffner.

RIB LAKE—First National Bank J. H. Waggoner, Pres. in place of L. Sperbeck.

SHAWANO—First National Bank; W. E. Hudtoff, Asst. Cas.

WAUPUN—First National Bank; Ben Kastein, Asst. Cas.

WHITEWATER—First National Bank; T. M. Blackburn, Vice-Pres.; no Asst. Cas. in place of T. M. Blackburn.

MEXICO.

MEXICO CITY—Mexico Banking Co.; H. C. Head, Cas.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ALABAMA.

OPELIKA—Shapard Bank.

ILLINOIS.

DEWEY—Dewey Bank.

INDIANA.

MATTHEWS—First National Bank; in hands of Receiver Feb. 13.

IOWA.

CORNING—Corning State Savings Bank.
PELLA—Pella Savings Bank.

MASSACHUSETTS.

TAUNTON—Taunton Safe Deposit & Trust Co.

MINNESOTA.

LE SUEUR—Le Sueur Counnty Bank.

MISSOURI.

ALTAMONT—Bank of Altamont.

NEW YORK.

CLEVELAND—Farmers' Exchange Bank.
NEW YORK—Equitable National Bank; in hands of Receiver Feb. 10.
PARISH—Parish Exchange Bank.
SYRACUSE—American Exchange National Bank; in hands of Receiver Feb. 11.

NORTH CAROLINA.

DUNN—Bank of Dunn.——Merchants & Farmers' Bank.

OHIO.

CLARKSVILLE—Clarksville Bank.
CLEVELAND—Bankers' National Bank; in voluntary liquidation Feb. 18.
DEFIANCE—Produce Exchange Bank.
GALION—Galion National Bank: in hands of Receiver Feb. 15.
OXFORD—First National Bank; in voluntary liquidation Feb. 10.

OKLAHOMA.

BILLINGS—First National Bank; in hands of Receiver Feb. 19.

PENNSYLVANIA.

PITTSBURG—State Bank.

RHODE ISLAND.

WESTERLY--Washington National Bank; in voluntary liquidation Jan. 23.

TEXAS.

McGREGOR—Citizens' National Bank: in hands of Receiver Feb. 8.
SEYMOUR—Davis National Bank; in voluntary liquidation Jan. 30.

WEST VIRGINIA.

CLARKSBURG—Traders' National Bank: in hands of Receiver Feb. 2.

WISCONSIN.

ASHLAND—Security Savings Bank.

NEW COUNTERFEIT $5 SILVER CERTIFICATE.—Series, 1899; check letter D; plate number undecipherable, either 209 or 239; J. W. Lyons, Register of the Treasury; Ellis H. Roberts, Treasurer of the United States; number 51762496.

This counterfeit is probably printed from zinc-etched plates of poor workmanship. on fair quality of paper, in which there have been distributed a few red silk threads. The lines of the engraving are broken and blotchy. The lathe work and small lettering are particularly poor. A rubber stamp has been used in printing the Treasury number.

The note should not deceive the ordinarily careful handler of money.

GOVERNMENT DEPOSITS TO HIGHEST BIDDERS.—Representative Williams (Dem., Miss.) recently introduced a bill providing that on and after the first days of July, October, January and April the Secretary of the Treasury shall receive and open sealed bids from National and State banks applying to receive deposits (on call) of surplus moneys in the United States Treasury and award such deposits to bankers making the offer of the highest rate of interest in sums not less than $25,000.

As the deposits under this plan would go to the highest bidders, the banks would in turn have to lend the money thus received to those who would offer the highest rates of interest, which would be a novel banking principle at least.

BANK CLERKS' CONVENTION.—The second annual convention of the American Institute of Bank Clerks will be held at St. Louis, Mo., August 25, 26 and 27. It is expected that the interest manifested in the work of the institute, and the Exposition as an additional attraction, will serve to draw a large attendance.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

New York, March 2, 1904.

The Baltimore fire and the breaking out of war between Russia and Japan were the most conspicuous events of the month of February. News of both was received nearly simultaneously and the effect in financial circles was very unfavorable. The Baltimore fire began on Sunday, February 7, in the center of the financial section of the city. It raged all the following day and when subdued had consumed property valued at probably something less than $100,000,000.

The conflagration in Baltimore was not as disastrous as the Chicago fire in 1871, when the loss was nearly $200,000,000, nor perhaps as serious as the Boston fire which a year later, in 1872, resulted in a loss of $80,000,000 or more. Fire underwriters, at all events, have been better able to sustain the losses resulting from the Baltimore fire than they were to meet the enormous claims which deluged them in 1871 and 1872. Only a few companies have retired as the result of the Baltimore disaster, and most of them were local companies.

When the news of the fire first reached Wall Street there was considerable apprehension that the insurance companies would have to sell large quantities of securities to obtain the means of paying losses. The stock market suffered some decline in consequence, but the fears were not warranted by the subsequent facts. While the Baltimore fire is a disaster to be lamented, the earliest news regarding it was the worst, and later estimates of the loss have considerably reduced the figures first given, which went above $200,000,000. Later, a large fire in Rochester destroyed $4,000,000 or $5,000,000 of property.

The war between Japan and Russia has rather tended to check speculation in the stock market here, than to exert any other influence. All wars are uncertain, particularly when they begin, and Wall Street is apt to move slowly until it gets its bearings.

Outside of these two events there has been little of a startling character to invite comment or influence conditions. There was a break in cotton early in the month, which for a while tended to demoralize the security market. But the cotton "corner" for some time had been considered a menace, and its collapse was urgently desired.

One factor which for sometime past has exerted an unfavorable influence has been the severe weather. Not in many years has such a winter, as the one now coming to an end, been experienced. It has interfered with the progress of all out-of-door industries. The building trade has suffered from it, while transportation interests have not only lost revenue, but have been put to increased expense. Heavy falls of snow and extreme cold weather have been almost constantly present since last Christmas.

As far as the traffic and earnings of the railroads are concerned, the weather has been only one unfavorable influence. There have been other checks to the continued prosperity of the railroads, although they may to some extent be considered as only temporary.

The depression in the iron and steel trade has of course affected the railroads, but there is now evidence of an improvement in that direction. Labor troubles,

particularly in Colorado among the miners, have caused a falling off in the earnings of some of the roads. There has also been a smaller movement of grain. Then the railroads are paying out a larger proportion of their earnings for operating expenses.

The estimated gross and net earnings in December of the railroads reporting for that month as compiled by the "Financial Chronicle" are not of a satisfactory character. While the gross earnings, amounting to $106,978,224, show an increase of $4,049,234 compared with the previous year, the net earnings are only $33,726,-576, or $478,209 less than were reported for December, 1902.

But now a decrease in gross earnings is being reported, and for this the extreme cold is undoubtedly largely responsible. "The Chronicle" reports gross earnings in January of 66 roads, representing 79,629 miles, as compared with 77,749 miles a year ago, aggregating $46,258,053, as against $48,085,470 in January, 1903. This is a decrease of $1,827,417, or about 4 per cent. on an increased mileage of about 2 per cent. It is the first time that any month has shown a decrease in gross earnings since February, 1899, and it is the first time that January has shown a decrease since 1897. The largest decreases are reported by the New York Central, the Grand Trunk, the Canadian Pacific, the Illinois Central, the Denver and Rio Grande, the Great Northern, and the Missouri Pacific. It is not difficult to appreciate the effect of a severe winter upon the earnings of most of the roads.

Two important railroads have issued annual reports covering their operations in the calendar year 1903—the Pennsylvania Railroad and the Delaware, Lackawanna and Western Railroad. A summary of the income account of the Pennsylvania Railroad, covering the entire system, for the last three years makes the following exhibit:

	1901.	*1902.*	*1903.*
Mileage	10,485	10,784	10,914
Gross earnings	$198,626,878	$220,079,230	$242,517,757
Operating expenses	133,718,386	152,539,718	175,379,437
Net earnings	64,918,492	67,539,511	67,138,320
Other income	14,072,029	16,254,710	18,795,336
Gross income	78,985,521	83,794,221	85,933,656
Charges, rentals, dividends, etc.	75,791,140	80,900,370	82,866,409
Balance, surplus	3,194,381	2,893,851	3,067,247

The president of the road accounts for the large increase in expenditures by the overtaxing of the facilities of the system, because of excessive business, and by the advance in the rates of wages and the prices of fuel and materials.

The report of the Delaware, Lackawanna and Western Railroad makes the following comparison:

	1901.	*1902.*	*1903.*
Gross earnings	$23,507,634	$21,398,764	$29,180,963
Expenses	14,385,418	14,477,422	16,043,403
Net earnings	9,122,216	6,921,342	13,137,560
Total income	11,202,248	8,115,333	16,638,496
Interest, rents, dividends, etc	10,006,193	10,295,969	12,387,258
Balance, surplus	1,196,054	*2,180,652	4,251,238

* Deficit.

The Lackawanna statement is exceptionally favorable, for not only was the dividend, seven per cent., amounting to $1,834,000, the same as in the previous year, but $4,319,166 was expended for renewals and betterments, an increase of $1,260,000 over 1902, and there was a surplus of $4,251,000 left, as against a deficit of $2,180,000 the year before. The coal department showed a profit last year of $3,036,194, against only $792,477 in 1902 and $1,638,643 in 1901.

There has been a decided improvement in the iron trade, which is only partially shown in the latest statistics of production available at the present time. In Janu-

ary 30 blast furnaces owned by the United States Steel Corporation were blown in and to this cause is largely due an increase in the weekly capacity of the furnaces in blast from 185,636 tons on January 1 to 278,819 tons on February 1. The January output of pig iron was 922,746 tons, as against 846,695 tons in December. While these figures are very favorable, yet it is the opinion of authorities in the iron trade that the situation is not yet entirely free from complications.

Since the American Iron and Steel Association has published the figures of production of pig iron in 1903, and the Bureau of Statistics the figures of imports and exports of iron and steel, the "Iron Age" has entered upon an investigation of the home consumption of iron. By taking into account the changes in the stock of pig iron and the net export and import movement, the fluctuations in consumption are less pronounced than the figures of production alone would indicate. We give the "Iron Age" figures, the first column showing the actual production of pig iron, the second column the consumption after making allowance for change in stocks and the last column the consumption after adding imports and deducting exports:

YEAR.	*Production.*	*Home consumption.*	*Net imports.*	*Net exports.*	*Estimated consumption of iron.*
	Gross tons.	Gross tons.	Gross tons.	Gross tons.	Gross tons.
1894	6,657,388	6,694,302	251,328	43,884	6,901,746
1895	9,446,308	9,628,362	318,910	63,225	9,884,047
1896	8,623,127	8,276,175	199,978	141,276	8,334,877
1897	9,652,680	9,381,000	137,078	311,350	9,206,728
1898	11,773,934	12,005,058	117,675	533,704	11,589,029
1899	13,620,703	13,660,226	121,456	637,350	13,144,342
1900	13,789,242	13,176,083	122,959	818,255	12,480,787
1901	15,878,354	16,231,829	138,232	605,447	15,764,614
1902	17,821,307	18,439,899	477,946	333,907	18,917,845
1903	18,009,252	18,039,907	496,301	298,240	18,237,968

While the production was largest in 1903, the actual consumption was largest in 1902. Between 1897 and 1902 the consumption was more than doubled.

Recently the Erie Railroad declared a second semi-annual dividend of 2 per cent. on the first preferred stock, which permitted the release of the road from the voting trust which had been in existence since January 1, 1896. Last month the Reading Company declared the regular semi-annual dividend of 2 per cent. on the first preferred stock. This is the third consecutive dividend and should the fourth be declared next August, the voting trust in that company may also be dissolved.

Early last month the announcement was made that the Pennsylvania Company had sold to a banking firm $50,000,000 of the 4½ per cent. notes to run eighteen months from April 1, 1904. The proceeds, it was stated, would be used largely upon the company's Western lines.

On February 16 a call of 25 per cent. was made by J. P. Morgan & Co. upon the syndicate underwriting the first $10,000,000 issue of the $50,000,000 4 per cent. convertible bonds authorized a year ago by the Erie Railroad. The bonds, it is understood, were not taken by the shareholders very freely although offered to them at 87½. Only $800,000 were so taken. After April 1, 1905, the bonds may be converted into Erie common stock on the basis of $2 of stock for $1 of bonds.

An interesting event in the investment world was the subscription for the $35,000,000 5 per cent. 40 year Cuban bonds. The bonds were largely over-subscribed.

The United States Senate finally, on February 23, ratified the Panama Canal Treaty by a vote of 66 to 14. The Secretary of the Treasury had previously announced that he would call upon the National bank depositaries to surrender 20 per cent. of their public deposits to provide for the payment of $50,000,000 on account of the canal purchase. Action, however, has been delayed as a stockholder of the Panama Canal Company has begun a suit in the French courts to prevent the

sale of the canal to the United States. How long the call will be deferred is uncertain, but the banks have generally prepared themselves to pay over the money.

The export trade of the United States continues of extraordinary magnitude, the value of merchandise exported in January being nearly $141,700,000 or more than $7,500,000 in excess of the exports in January, 1903. Large as the total is, however, it falls short of the total recorded in December last, when the exports were $174,819,000. Since December there have been some important changes in the volume of exports, the most notable being in the cotton movement, which declined from 582,000,000 pounds in December to 336,000,000 pounds in January. The exports of cotton in January this year were about 117,000,000 pounds less than the exports in January last year, but as the average export price was 5 cents a pound higher than it was a year ago, the value of cotton exports in January, 1904, shows an increase of $6,700,000 compared with the previous year.

The export movement of cotton and the average export price monthly since September 1 in the last two years are shown in the following table:

	1902-3.			*1903-4.*		
	Pounds.	*Value.*	*Average price—cents.*	*Pounds.*	*Value.*	*Average price—cents.*
September	347,596,100	$29,980,815	8.6	195,505,694	$21,179,900	10.8
October	500,922,842	42,133,141	8.4	594,387,272	60,265,902	10.1
November	427,677,775	35,329,024	8.3	627,363,986	67,982,284	10.8
December	558,421,411	46,715,462	8.4	582,922,302	72,375,921	12.4
January	453,681,982	39,607,922	8.8	336,796,190	46,380,855	13.8
5 months	2,288,299,610	$193,716,364	8.5	2,336,975,444	$268,184,862	11.5

Since the movement of the new crop began the price of cotton has ruled at from about 2 cents to 5 cents per pound higher than it did in the previous year, and while the exports this year show an increase of less than 50,000,000 pounds in the five months since September 1, the export value increased $74,000,000. It will be observed that the exports in January were only about one-half in quantity of those in November, but the average price was just 3 cents higher.

In January there was a decrease, compared with the December preceding, in various classes of exports. While cotton decreased in value $26,000,000, breadstuffs decreased $3,000,000, provisions $700,000 and mineral oils $1,500,000. The exports of domestic products were only about $84,000,000, a decrease of nearly $31,000,000. All other exports decreased $2,000,000.

In the following table is shown the export movement monthly in the first seven months of the year ending June 30, 1904, and the totals for the corresponding seven months in each of the previous five fiscal years:

	Total exports.	*Cotton exports.*	*Other domestic products.*	*Other exports.*
July	$91,813,495	$5,037,068	$33,731,809	$53,044,618
August	89,446,457	1,963,096	34,227,290	53,236,071
September	110,364,840	21,179,900	38,553,994	50,630,946
October	160,388,508	60,265,902	42,951,526	57,171,080
November	160,268,538	67,982,284	37,852,018	54,434,236
December	174,819,566	72,375,921	42,491,521	59,952,124
January	141,663,483	46,380,855	37,700,646	57,581,982
7 months, 1904	$928,764,887	$275,205,026	$267,508,804	$386,051,057
7 months, 1903	$856,482,039	$206,006,556	$278,912,898	$371,562,585
" 1902	872,668,418	206,756,532	315,756,513	350,155,373
" 1901	902,237,970	215,139,128	317,840,249	369,258,593
" 1900	800,046,486	133,944,377	314,391,868	351,710,241
" 1899	749,596,115	154,327,582	311,178,742	284,089,791

The exports of domestic products other than cotton during the seven months of the current fiscal year were smaller than in either of the previous five years, but the additional exports show a substantial increase. Measured by values cotton furnished nearly 30 per cent. of the total exports this year as compared with about 24 per cent. in each of the years 1901, 1902 and 1903, less than 17 per cent. in 1900 and 20½ per cent. in 1899.

The Bureau of Statistics have prepared an interesting comparison showing the growth of our export of wheat flour. In the calendar year 1903 nearly 20,000,000 barrels of flour were exported, the largest quantity ever exported. The value was $75,188,050 the largest of any year excepting 1892 and 1893. Prior to 1861 our exports of flour were always larger than our exports of wheat, but from 1861 to 1890 wheat exports exceeded flour exports, now flour exports are in excess again. The following table shows the exports of wheat and flour and their values at quinquennial years from 1820 to 1900 and in 1903. The figures are for calendar years subsequent to 1865 while those of 1865 and earlier dates are for fiscal years. Prior to 1880 a barrel of flour is figured at 5 bushels of wheat and since that date at 4½ bushels.

YEAR.	*Exports of wheat.*	*Exports of wheat flour.*	*Wheat exports —bushels.*	*Flour exports —bushels.*	*Per cent. of total exported as flour.*
1820	$16,603	$5,296,664	22,137	5,885,180	99.6
1825	18,570	4,212,127	17,990	4,069,530	99.5
1830	46,176	6,085,953	45,289	6,187.170	99.2
1835	51,405	4,394,777	47,762	3,896,960	98.8
1840	1,635,483	10,148,615	1,720,860	9,387,505	84.5
1845	836,779	5,398,593	389,716	5,976,150	93.9
1850	633,745	7,098,570	608,661	6,947,240	91.9
1855	1,329,246	10,896,908	798,884	6,022,700	88.3
1860	4,076,704	15,448,507	4,155,153	13,057,960	75.9
1865	19,398,028	27,507,084	9,937,876	13,206,490	57.0
1870	40,596,960	19,901,315	33,547,689	16,789,785	33.3
1875	62,625,022	23,654,476	51,918,999	19,447,435	27.3
1880	171,420,195	39,615,277	144,483,007	32,727,895	17.5
1885	46,678,257	46,101,960	53,075,937	43,406,028	45.0
1890	42,348,251	52,709,105	49,271,580	50,937,552	50.8
1895	40,898,547	50,292,866	66,804,686	65,379,425	49.4
1900	70,976,483	68,017,605	99,079,153	83,846,291	45.8
1903	59,329,441	75,188,050	73,372,255	87,994,850	54.5

The Money Market.—The local money market has been quiet and rates for call money have ranged between 1½ and 2 per cent. The demand for time money is light and the supply of commercial paper limited. At the close of the month call money ruled at 1¾ @ 2 per cent., the average rate being about 2 per cent. Banks and trust companies loaned at 1¾ per cent. as the minimum rate. Time money

Money Rates in New York City.

	Oct. 3.	*Nov. 1.*	*Dec. 1.*	*Jan, 1.*	*Feb. 1.*	*Mar. 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	2¼— 3	4 —5	6 —9	6 —9	1¾–2	1¾–2
Call loans, banks and trust companies	2½—	2½—	6 —	6 —	2 —	1¾—
Brokers' loans on collateral, 30 to 60 days	5½—	5 —	6 —	5¼— ½	3½— ¾	3 —
Brokers' loans on collateral, 90 days to 4 months	6 —	5 —	5½–6	4½–5	4 —	3¾— ⅞
Brokers' loans on collateral, 5 to 7 months	6 —	5 —	5½—	5 —	4 — ¼	4 — ¼
Commercial paper, endorsed bills receivable, 60 to 90 days	6 —	5½–6	6 —	5½— ¾	4½–5	4¾–5
Commercial paper prime single names, 4 to 6 months	6 — 6½	5½–6	6 —6½	5¾–6	4¾–5¼	4¾–5¼
Commercial paper, good single names, 4 to 6 months	6½— 7	6 —6½	6½–7	6 —6½	5½–6	5½–6

on Stock Exchange collateral is quoted at 3 per cent. for 60 days, 3¼ per cent. for 90 days, 3¾ per cent. for 4 months, 4 @ 4¼ per cent. for 5 to 6 months and 4½ per cent. for remainder of the year on good mixed collateral. For commercial paper the rates are 4¾ @ 5 per cent. for 60 to 90 days' endorsed bills receivable, 4¾ @ 5¼ per cent. for first-class 4 to 6 months' single names, and 5½ @ 6 per cent. for good paper having the same length of time to run.

NEW YORK CITY BANKS.—New records were made by the banks in the New York Clearing-House Association last month. The deposits reached $1,028,000,000 on February 20, the largest total ever reported. Loans almost reached $1,000,000,000 on February 13, the exact figures being $999,569,900, and exceeded all previous records. In the last two weeks of the month there was a reduction of more than $9,000,000. Loans are, however, $40,000,000 more than they were a year ago, and deposits $71,000,000 larger. At the close of the month the banks held larger cash reserves than at any previous time, the total being $289,000,000, of which $217,000,000 consisted of specie. The surplus reserve now exceeds $32,000,000 and is larger than at any previous time in more than three years.

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Jan. 30...	$994,552,100	$205,477,500	$75,637,500	$1,023,948,800	$25,129,050	$42,789,000	$1,277,825,900
Feb. 6...	998,850,800	205,966,900	72,665,000	1,027,156,500	21,842,775	41,509,400	1,251,263,900
" 13...	999,569,900	205,647,500	71,821,100	1,026,857,500	20,379,225	40,787,100	1,070,202,400
" 20...	991,438,800	218,606,700	70,906,300	1,028,025,600	27,506,600	40,551,600	1,069,355,400
" 27...	990,209,100	217,851,700	71,778,600	1,027,920,400	32,150,200	40,219,300	891,349,700

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	*1902.*		*1903.*		*1904.*	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$910,860,800	$7,515,575	$878,115,000	$10,193,850	$866,178,900	$9,541,850
February......	975,997,000	26,623,850	931,778,900	27,880,775	1,023,943,800	25,129,050
March.........	1,017,488,800	9,975,925	956,206,400	5,951,900	1,027,920,400	32,150,200
April..........	965,853,800	6,965,575	894,260,000	6,280,900	....	....
May...........	968,189,600	7,484,000	905,760,200	11,181,850	....	....
June..........	948,826,400	11,929,000	918,081,800	9,645,150	....	....
July	955,829,400	12,978,850	906,719,800	12,923,850	....	....
August........	957,145,500	13,738,125	908,864,300	24,060,075	....	....
September....	985,996,500	9,742,775	920,123,900	20,677,925	....	....
October.......	876,519,100	3,236,625	897,214,400	13,937,500	....	....
November....	898,791,200	21,839,100	885,616,600	10,274,150	....	....
December....	883,836,800	15,786,800	841,552,000	6,125,200	....	....

Deposits reached the highest amount, $1,028,025,600 on Feb. 20, 1904; loans, $999,569,900 on February 13, 1904, and the surplus reserve $111,623,000 on Feb. 3, 1894.

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

DATES.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
Jan. 30....	$77,404,100	$87,886,700	$3,592,800	$4,794,100	$10,271,100	$4,995,000	$1,681,325
Feb. 6....	77,649,200	89,925,100	3,421,100	4,431,100	12,165,500	5,731,500	3,267,925
" 13....	78,194,300	90,024,400	3,510,800	4,946,300	11,147,800	5,541,600	2,640,400
" 20....	78,572,300	90,357,200	3,539,300	4,999,100	11,473,200	5,037,900	2,460,200
" 27....	78,987,200	90,726,700	3,552,300	4,848,600	11,721,000	4,847,400	2,287,625

Boston Banks.

Dates.	Loans.	Deposits.	Specie.	Legal Tenders.	Circulation.	Clearings.
Jan. 30	$178,953,000	$199,879,000	$17,179,000	$5,650,000	$6,803,000	$121,049,600
Feb. 6	180,875,000	201,793,000	16,654,000	5,392,000	6,837,000	138,482,100
" 13	180,913,000	195,696,000	15,480,000	5,352,000	6,858,000	117,866,500
" 20	178,045,000	192,060,000	14,504,000	5,511,000	6,854,000	118,765,800
" 27	175,629,000	190,435,000	13,924,000	5,271,000	7,000,000	....

Philadelphia Banks.

Dates.	Loans.	Deposits.	Lawful Money Reserve.	Circulation.	Clearings.
Jan. 30	$184,452,000	$215,600,000	$59,005,000	$10,428,000	$104,071,250
Feb. 6	187,106,000	216,549,000	58,604,000	10,426,000	107,418,800
" 13	187,610,000	216,936,000	58,308,000	10,330,000	77,171,000
" 20	186,500,000	219,238,000	59,673,000	10,467,000	103,667,300
" 27	186,072,000	218,897,000	60,082,000	10,552,000	92,273,152

Money Rates Abroad.—No change was made in the posted rates of discount of the leading European banks last month. Discounts of 60 to 90 day bills in London at the close of the month were 3¼ per cent. against 3 per cent. a month ago. The open market rate at Paris was 2½ per cent. against 2¾ per cent. a month ago, and at Berlin and Frankfort 3¼ per cent. against 2½ @ 2¾ per cent. a month ago.

Bank of England Statement and London Markets.

	Nov. 14, 1903.	Dec. 12, 1903.	Jan. 13, 1904.	Feb. 10, 1904.
Circulation (exc. b'k post bills)	£28,552,415	£29,243,670	£28,414,055	£27,749,055
Public deposits	6,226,366	7,966,866	6,185,742	9,081,614
Other deposits	38,923,056	38,984,069	42,941,986	41,635,576
Government securities	16,486,556	18,187,060	20,947,874	19,229,834
Other securities	24,423,615	27,046,714	24,957,866	24,826,750
Reserve of notes and coin	22,061,952	19,034,663	21,424,363	24,900,000
Coin and bullion	32,164,367	31,105,338	31,388,418	34,199,147
Reserve to liabilities	48¾%	41⅝%	43⅛%	49%
Bank rate of discount	4%	4%	4%	4%
Price of Consols (2¾ per cents.)	97⅝	97 1/16	87 3/16	86 5/16
Price of silver per ounce	26¾d.	29 11/16d.	27⅛d.	27¼d.

Foreign Exchange.—The foreign exchange market has been firm during the greater part of the month, influenced by the continued ease in the money market here. Early in the month exchange declined some on remittances of foreign insurance companies on account of the Baltimore fire. This influence was offset later by the expected payments on account of the Panama Canal purchase, which is delayed.

Foreign Exchange—Actual Rates on or about the First of each Month.

	Nov. 1.	Dec. 1.	Jan. 1.	Feb. 1.	Mch. 1.
Sterling Bankers—60 days	4.81 — ¾	4.79¾—80	4.81 — ⅛	4.83 — ⅛	4.83¾— 84
" " Sight	4.84⅜— ⅝	4.83½—	4.84 — ⅛	4.85½— ⅝	4.86⅝— ¾
" " Cables	4.85⅛— ⅜	4.84 —	4.84⅛— ⅝	4.85¾— 6	4.87⅛— ⅜
" Commercial long	4.80⅜— ⅞	4.79 — ⅛	4.80⅛— ⅝	4.82½— ⅝	4.83 — ⅛
" Docu'tary for paym't.	4.80¾— 1¾	4.79 —80¼	4.80 —80¾	4.82 — ⅝	4.83 — ⅝
Paris—Cable transfers	5.18⅛—17½	5.20⅝— 1/16	5.18¾—	5.17⅛— ..	5.16¼—
" Bankers' 60 days	5.21¼—	5.23⅛—	5.22½—21⅞	5.20 1/16— 20	5.18¾—
" Bankers' sight	5.18¾—18⅛	5.21¼—20⅝	5.19⅜—	5.18⅛—17½	5.16⅞—
Swiss—Bankers' sight	5.19⅜—	5.21¼—	5.20 3/32— 1/32	5.20 —19⅜	5.19⅜—18¾
Berlin—Bankers' 60 days	94 1/16— ⅜	93 15/16—94	94¼— ⅝	94 7/16— 9/16	94 9/16— 11/16
" Bankers' sight	94⅞— 15/16	94½— 9/16	94 11/16—	94 13/16— ⅞	95 1/16—
Belgium—Bankers' sight	5.19⅜—18¾	5.21⅞— ¼	5.20 3/32— 1/32	5.18¾— ..	5.17⅛—
Amsterdam—Bankers' sight	40¼—	40 1/16— ⅛	40⅛—	40¼— ..	40¼— 5/16
Kronors—Bankers' sight	26.71—26.73	26.59 —26.62	26.65—26.67	26.68—26.70	26.72—26.74
Italian lire—sight	5.17½—16⅞	5.20⅝—19⅜	5.18¾— ⅛	5.17½—16⅞	5.21¼—20

RATES FOR STERLING AT CLOSE OF EACH WEEK.

WEEK ENDED.	BANKERS' STERLING. 60 days.	BANKERS' STERLING. Sight.	*Cable transfers.*	*Prime commercial, Long.*	*Documentary Sterling, 60 days.*
Jan. 30	4.8300 @ 4.8310	4.8555 @ 4.8565	4.8585 @ 4.8600	4.82 1/8 @ 4.82 5/8	4.82 @ 4.82 5/8
Feb. 6	4.8300 @ 4.8310	4.8555 @ 4.8565	4.8585 @ 4.8595	4.82 5/8 @ 4.82 3/4	4.82 @ 4.82 1/4
" 13	4.8260 @ 4.8275	4.8565 @ 4.8575	4.8600 @ 4.8610	4.82 1/8 @ 4.82 1/4	4.81 3/4 @ 4.82 1/8
" 20	4.8300 @ 4.8310	4.8600 @ 4.8610	4.8640 @ 4.8650	4.82 5/8 @ 4.82 3/4	4.82 @ 4.83
" 27	4.8365 @ 4.8375	4.8650 @ 4.8660	4.8700 @ 4.8710	4.83 1/4 @ 4.83 3/8	4.82 3/4 @ 4.83 3/8

SILVER.—The price of silver in London last month fluctuated between the extreme figures of $25\frac{5}{8}$ and $27\frac{1}{2}$ d. The final price was $26\frac{7}{8}$, a net advance of $1\frac{1}{8}$ d.

MONTHLY RANGE OF SILVER IN LONDON—1902, 1903, 1904.

MONTH.	1902. High	1902. Low.	1903. High	1903. Low.	1904. High	1904. Low.	MONTH.	1902. High	1902. Low.	1903. High	1903. Low.	1904. High	1904. Low.
January..	26 1/16	25 5/8	22 3/8	21 11/16	27 5/16	25 1/2	July......	24 9/16	24 5/16	25 3/8	24 1/4	....	....
February	25 3/8	25 5/16	22 5/16	21 7/8	27 1/2	25 5/8	August ..	24 7/16	24 1/8	26 3/4	25 5/16	....	....
March....	25 7/16	24 13/16	22 13/16	22 1/8	....	....	Septemb'r	24 1/8	23 9/16	26 7/16	26 3/16	....	....
April.....	24 7/8	23 5/16	25 3/16	22 3/8	....	....	October..	23 13/16	23 1/4	28 1/8	27 7/16	....	....
May......	24 1/8	23 5/16	25 1/4	24 5/16	....	....	Novemb'r	23 1/4	21 3/4	27 5/8	26 1/4	....	....
June.....	24 7/16	23 13/16	24 5/16	24 1/8	....	....	Decemb'r	22 1/2	21 13/16	26 1/8	25	....	....

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*
Sovereigns & Bk. of Eng. notes	$4.85	$4.88
Twenty francs	3.85	3.88
Twenty marks	4.73	4.77
Twenty-five pesetas	4.78	4.81
Spanish doubloons	15.55	15.65
Mexican doubloons	15.55	15.65
Mexican 20 pesos	$19.52	$19.60
Ten guilders	3.95	4.00
Mexican dollars	.46	.48 1/8
Peruvian soles	.42	.45 1/8
Chilian pesos	.42	.45 1/8

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 26⅞d. per ounce. New York market for large commercial silver bars, 58¼ @ 59⅛c. Fine silver (Government assay), 58⅝ @ 60c. The official price was 58⅛c.

GOLD AND SILVER COINAGE.—The mints last month coined $35,603,500 gold, $1,475,000 silver and $22.350 minor coins, a total of $37,100,850. Only $1,282,000 of silver dollars were coined. The coinage for the Philippine Government amounted to 9,545,000 pieces.

COINAGE OF THE UNITED STATES.

	1902. Gold.	*1902.* Silver.	*1903.* Gold.	*1903.* Silver.	*1904.* Gold.	*1904.* Silver.
January	$7,660,000	$2,908,637	$7,635,178	$1,707,000	$2,765,000	$4,657,000
February	6,643,850	2,489,000	7,438,510	1,521,000	35,603,500	1,475,000
March	1,558	2,965,577	6,879,920	1,595,987	....	....
April	3,480,315	3,388,273	137,400	1,809,000	....	....
May	426,000	1,873,000	69,000	1,584,000	....	....
June	500,345	2,464,353	610	3,840,222	....	....
July	2,120,000	2,254,000	....	337,327	....	....
August	8,040,000	2,236,000	450,000	452,000	....	....
September	3,560,860	2,831,165	645,692	1,807,469	....	....
October	1,890,000	2,287,000	1,540,000	2,324,000	....	....
November	2,675,000	2,399,000	8,794,600	1,401,000	....	....
December	6,277,925	1,932,216	10,043,060	1,567,435	....	....
Year	$47,109,852	$29,928,167	$43,683,970	$19,874,440	$38,368,500	$6,132,000

EUROPEAN BANKS.—The Bank of England gained $6,000,000 gold in February but has $2,500,000 less than it held a year ago. Germany gained $10,000,000 in the month and has about that amount more than in 1903. Russia since February 1st gained $26,000,000 gold and has $70,000,000 more than a year ago. France in the 12 months has lost $35,000,000.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	January 1, 1904.		February 1, 1904.		March 1, 1904.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
England	£28,911,873	....	£34,186,126	....	£35,484,022	....
France	94,481,568	£44,110,288	93,805,540	£44,162,889	93,777,253	£44,810,614
Germany	82,484,000	11,414,000	84,153,000	12,000,000	86,289,000	12,750,000
Russia	85,185,000	7,110,000	86,050,000	7,318,000	91,853,000	7,939,000
Austria-Hungary	46,485,000	12,182,000	46,632,000	12,452,000	47,015,000	12,585,000
Spain	14,545,000	19,159,000	14,570,000	19,147,000	14,604,000	19,320,000
Italy	21,316,400	3,835,000	21,896,000	3,310,000	21,996,000	3,753,200
Netherlands	4,189,000	6,541,500	5,017,900	6,542,500	5,482,900	6,626,300
Nat. Belgium	3,152,667	1,576,333	3,208,667	1,604,833	3,187,333	1,593,667
Totals	£330,750,508	£105,428,121	£339,519,233	£106,581,742	£349,187,508	£108,876,781

NATIONAL BANK CIRCULATION.—Nearly $3,500,000 National bank notes were added to circulation last month, about $2,700,000 being based upon Government bonds. The bond deposits to secure circulation increased $2,440,000 and amount to $392,671,550, of which all but $5,400,000 consist of 2 per cents.

NATIONAL BANK CIRCULATION.

	Nov. 30, 1903.	Dec. 31, 1903.	Jan. 31, 1904.	Feb. 29, 1904.
Total amount outstanding	$421,106,979	$425,163,018	$426,857,627	$430,324,310
Circulation based on U. S. bonds	383,018,484	387,273,623	387,657,731	390,352,491
Circulation secured by lawful money	38,088,495	37,889,395	39,199,896	39,971,819
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	2,487,200	2,425,200	2,432,950	2,389,200
Five per cents. of 1894	718,650	356,150	44,750	....
Four per cents. of 1895	1,345,100	1,245,100	1,247,600	1,260,100
Three per cents. of 1898	1,707,580	1,717,580	1,708,100	1,744,500
Two per cents. of 1900	378,467,400	383,591,650	384,798,300	387,277,750
Total	$384,625,930	$389,335,680	$390,231,600	$392,671,550

The National banks have also on deposit the following bonds to secure public deposits; 4 per cents. of 1907, $6,884,400; 5 per cents. of 1894, $112,000; 4 per cents. of 1895, $11,679,550; 3 per cents. of 1898, $7,623,720; 2 per cents. of 1930, $108,957,700; District of Columbia 3.65's, 1924, $1,849,000; State and city bonds, $25,175,528; Philippine Island certificates, $7,152,000; Hawaiian Islands bonds, $1,092,000, Railroad bonds, $15,509,000, a total of $186,034,898.

UNITED STATES FOREIGN TRADE.—The exports of merchandise in January exceeded $141,000,000 and were the largest ever reported for that month, but they were $38,000,000 less than the exports in December and $18,000,000 less than in either October or November last. Imports were valued at more than $82,000,000 in January, which is nearly $3,000,000 less than the total in the corresponding month

EXPORTS AND IMPORTS OF THE UNITED STATES.

MONTH OF JANUARY.	MERCHANDISE.			Gold Balance.	Silver Balance.
	Exports.	Imports.	Balance.		
1899	$115,591,446	$58,239,771	Exp., $57,351,675	Imp., $4,636,893	Exp., $2,251,954
1900	117,597,148	75,897,102	" 41,700,046	Exp., 3,696,598	" 2,424,626
1901	136,325,601	69,307,080	" 67,018,521	" 3,955,533	" 1,600,921
1902	129,145,180	79,138,192	" 50,006,988	" 567,888	" 2,416,329
1903	133,992,269	85,174,786	" 48,817,483	Imp., 1,924,900	" 2,068,325
1904	141,663,483	82,619,449	" 59,044,034	" 7,633,941	" 2,008,755
SEVEN MONTHS.					
1899	749,596,115	366,943,381	Exp., 382,652,734	Imp., 60,235,087	Exp., 15,212,720
1900	800,046,486	486,419,633	" 313,626,853	" 6,422,632	" 12,359,201
1901	902,237,970	459,038,141	" 443,199,829	" 22,478,738	" 16,200,844
1902	872,668,418	526,116,998	" 346,551,420	" 9,973,309	" 13,609,169
1903	856,482,039	598,149,514	" 258,332,525	" 17,176,519	" 14,646,043
1904	928,764,887	565,365,625	" 363,399,262	" 45,914,990	" 11,145,544

of last year. They were, however, nearly $5,000,000 more than in December last, and in fact were greater than in any other month since April, 1903. The net exports for the month were $59,000,000, or $10,000,000 more than in January, 1903. For the seven months of the current fiscal year the total exports were nearly $929,000,000—the largest ever reported for a similar period, while the imports were $565,000,000, leaving a balance of $363,000,000 of net exports. The net imports of gold in January were $7,633,941 and for the seven months $45,914,990. Silver exports in January were $2,008,755 and in seven months $11,145,544.

Government Revenues and Disbursements.—January receipts of the Government were $45,895,406 and expenses $42,654,772, leaving a surplus of $3,240,634, which with the the surplus resulting in the first six months of the fiscal year, makes a surplus for the seven months since July 1, 1903, of $4,882,314. In the previous year the surplus for the corresponding period exceeded $33,000,000. A comparison with the previous year shows a decrease in receipts for the seven months of $12,000,000 and an increase in expenditures of $16,000,000.

United States Treasury Receipts and Expenditures.

Receipts.

Source.	*February, 1904.*	*Since July 1, 1903.*
Customs	$20,794,649	$175,784,376
Internal revenue	18,067,922	157,260,236
Miscellaneous	7,032,835	32,276,637
Total	$45,895,406	$365,321,249
Excess of receipts	3,240,634	4,882,314

Expenditures.

Source.	*February, 1904.*	*Since July 1, 1903.*
Civil and mis	$10,753,152	$93,203,465
War	7,702,084	79,104,862
Navy	7,774,713	66,122,068
Indians	1,135,107	7,463,676
Pensions	13,574,109	96,635,724
Interest	1,715,657	17,909,120
Total	$42,654,772	$360,438,935

United States Public Debt.—The statement of the public debt for February shows that the 5 per cent. bonds of 1904 no longer form a part of the interest-bear-

United States Public Debt.

	Jan. 1, 1903.	*Jan. 1, 1904.*	*Feb. 1, 1904.*	*Mch. 1, 1904.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent	$445,940,750	$542,664,850	$542,909,950	$542,909,950
Funded loan of 1907, 4 "	233,178,650	156,818,600	156,591,500	156,591,500
Refunding certificates, 4 per cent	31,230	30,010	29,990	29,990
Loan of 1904, 5 per cent	19,385,050	6,590,500	5,314,250	....
" 1925, 4 "	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent	97,515,660	77,153,360	77,135,360	77,135,360
Total interest-bearing debt	$914,541,240	$901,747,220	$900,470,950	$895,156,700
Debt on which interest has ceased	1,255,710	1,196,530	1,196,530	3,161,680
Debt bearing no interest:				
Legal tender and old demand notes	346,734,863	346,734,863	346,734,863	346,734,863
National bank note redemption acct.	42,169,652	36,976,574	38,534,696	39,179,309
Fractional currency	6,872,594	6,870,587	6,870,587	6,870,587
Total non-interest bearing debt	$395,774,109	$390,582,025	$392,140,147	$392,784,759
Total interest and non-interest debt.	1,311,574,059	1,293,525,775	1,293,807,627	1,291,103,139
Certificates and notes offset by cash in the Treasury:				
Gold certificates	383,564,069	447,175,869	487,949,869	477,903,869
Silver "	468,957,000	472,247,000	464,261,000	469,942,000
Treasury notes of 1890	24,053,000	15,906,000	15,322,000	14,846,000
Total certificates and notes	$876,574,069	$935,328,869	$967,532,869	$962,691,869
Aggregate debt	2,188,148,128	2,228,854,644	2,261,340,496	2,253,795,008
Cash in the Treasury:				
Total cash assets	1,331,081,200	1,405,621,982	1,413,110,668	1,407,296,573
Demand liabilities	966,671,820	1,026,247,087	1,034,365,584	1,034,228,068
Balance	$364,409,380	$379,374,895	$378,745,084	$373,068,505
Gold reserve	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance	214,409,380	229,374,895	228,745,084	223,068,505
Total	$364,409,380	$379,374,895	$378,745,084	$373,068,505
Total debt, less cash in the Treasury.	947,164,679	914,150,880	915,062,543	918,034,634

ing debt. They matured February 2 and have all been paid except $1,965,200, which are included in the "debt on which interest has ceased since maturity." The interest-bearing debt now amounts to $895,000,000, of which $156,000,000 will mature in 1907 and $77,000,000 in 1908. The remainder of the debt will not be redeemable until 1925 and 1930. The total debt, less cash in the Treasury, is $918,000,000, an increase for the month of about $3,000,000. The cash balance in the Treasury was reduced nearly $5,700,000.

MONEY IN THE UNITED STATES TREASURY.—The total amount of money in the United States Treasury was reduced $900,000 in February, but the net amount, after deducting certificates and Treasury notes outstanding, increased about $750,000. The net amount of gold increased nearly $7,000,000.

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1903.	*Jan. 1, 1904.*	*Feb. 1, 1904.*	*Mch. 1, 1904.*
Gold coin and bullion	$617,196,083	$686,651,991	$698,935,700	$698,448,007
Silver dollars	470,783,167	477,594,756	485,656,379	488,501,788
Silver bullion	23,057,667	11,579,510	7,151,148	7,142,510
Subsidiary silver	6,419,206	8,306,927	10,433,124	11,417,518
United States notes	2,910,158	3,408,578	8,968,196	9,368,475
National bank notes	16,251,253	12,009,829	18,654,036	14,040,247
Total	$1,136,617,534	$1,199,551,591	$1,229,818,583	$1,228,918,545
Certificates and Treasury notes, 1890, outstanding	833,909,877	902,745,162	940,743,110	939,089,014
Net cash in Treasury	$302,707,657	$296,806,429	$289,075,473	$289,829,531

MONEY IN CIRCULATION IN THE UNITED STATES.—The volume of money in circulation increased $15,500,000, and now exceeds $2,503,000,000, the largest ever recorded. The per capita circulation has increased to $30.75, which is also the highest point ever reached.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1903.	*Jan. 1, 1904.*	*Feb. 1, 1904.*	*Mch. 1, 1904.*
Gold coin	$629,680,632	$627,970,533	$627,905,855	$638,909,710
Silver dollars	78,310,334	81,573,223	77,963,600	76,409,191
Subsidiary silver	94,350,669	97,631,352	95,470,825	95,486,378
Gold certificates	346,418,819	421,080,019	469,573,609	462,206,979
Silver certificates	463,570,632	465,836,290	455,935,828	462,101,102
Treasury notes, Act July 14, 1890	23,920,426	15,828,853	15,233,673	14,780,933
United States notes	343,770,858	343,272,438	337,692,820	337,312,541
National bank notes	368,678,531	413,153,189	408,203,591	416,284,063
Total	$2,348,700,901	$2,466,345,897	$2,487,979,301	$2,503,481,897
Population of United States	79,799,000	81,177,000	81,292,000	81,407,000
Circulation per capita	$29.43	$30.38	$30.61	$30.75

SUPPLY OF MONEY IN THE UNITED STATES.—The stock of money in the country on March 1 is estimated at $2,793,311,428, an increase of $16,000,000 last month, of which $10,500,000 was gold. Since January 1 last the money supply has increased nearly $30,000,000.

SUPPLY OF MONEY IN THE UNITED STATES.

	Jan. 1, 1903.	*Jan. 1, 1904.*	*Feb. 1, 1904.*	*Mch. 1, 1904.*
Gold coin and bullion	$1,246,876,715	$1,314,622,524	$1,326,841,555	$1,337,857,717
Silver dollars	549,093,501	559,167,979	563,619,979	564,901,979
Silver bullion	23,057,667	11,579,510	7,151,148	7,142,510
Subsidiary silver	100,769,875	105,938,279	105,903,449	106,903,896
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	384,929,784	425,163,018	426,857,627	430,324,310
Total	$2,651,408,558	$2,763,152,326	$2,777,054,774	$2,793,311,428

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of February, and the highest and lowest during the year 1904, by dates, and also, for comparison, the range of prices in 1903:

	Year 1903.		Highest and Lowest in 1904.		February, 1904.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	89⅞	54	70⅞—Feb. 2	64 —Feb. 24	70⅞	64	65¼
• preferred	103⅛	84⅜	92¾—Jan. 22	87⅝—Jan. 6	91⅝	88	88⅛
Baltimore & Ohio	104	71⅝	85⅞—Jan. 27	73⅝—Feb. 24	84	73⅝	74⅝
Baltimore & Ohio, pref.	96¾	82¾	92 —Jan. 28	87⅝—Feb. 19	92	87⅝	87⅝
Brooklyn Rapid Transit	71⅛	29⅛	52¼—Jan. 2	38 —Feb. 24	47⅜	38	40⅜
Canadian Pacific	138¾	115⅝	121¼—Jan. 22	112½—Feb. 24	119	112½	114
Canada Southern	78½	57½	68¼—Jan. 2	66 —Jan. 15	....	....	....
Central of New Jersey	190	153	163¾—Jan. 19	154½—Feb. 20	161¼	154½	155
Ches. & Ohio	58⅝	27¼	36 —Jan. 28	29 —Feb. 23	34⅝	29	30
Chicago & Alton	37¼	18⅛	40 —Feb. 6	33 —Jan. 2	40	34	35
• preferred	75½	60	85¼—Jan. 21	75 —Jan. 6	85	81⅛	82
Chicago, Great Western	29⅝	13	17¾—Jan. 22	14 —Feb. 24	16¾	14	14½
Chic., Milwaukee & St. Paul	183¼	133¼	148¼—Jan. 22	137⅛—Feb. 24	144½	137⅛	138¾
• preferred	194¼	168	179½—Jan. 22	175 —Feb. 10	176½	175	175
Chicago & Northwestern	224½	153	170⅝—Jan. 23	162 —Feb. 8	165	162	163
• preferred	250	190	214½—Jan. 23	207 —Feb. 8	211⅞	207	207
Chicago Terminal Transfer	19⅞	8	12¾—Jan. 15	8¼—Feb. 24	11	8¼	9¼
• preferred	36	15	26½—Jan. 15	18 —Jan. 2	23½	18¼	19
Clev., Cin., Chic. & St. Louis	99⅝	66	80¾—Jan. 22	77 —Jan. 9	79	77½	78
Col. Fuel & Iron Co.	82½	24	34½—Jan. 27	27⅝—Jan. 7	32½	30	30¾
Colorado Southern	31⅝	10	19 —Jan. 12	14½—Feb. 23	18	14½	15⅝
• 1st preferred	72	44½	58½—Jan. 25	52 —Feb. 23	57¼	52	53½
• 2d preferred	48	17	28⅜—Jan. 22	22 —Feb. 23	26¼	22	22⅞
Consolidated Gas Co.	222	164	196½—Jan. 25	185 —Feb. 8	194¼	185	190
Delaware & Hud. Canal Co.	183½	149	168½—Jan. 22	154 —Feb. 29	168	154	155
Delaware, Lack. & Western	275½	230	275 —Jan. 14	250½—Feb. 23	271⅞	250½	268
Denver & Rio Grande	43	18	23⅜—Jan. 22	18¼—Feb. 25	21¾	18¼	19
• preferred	90½	62	74⅞—Jan. 22	64½—Feb. 24	71¾	64½	65⅝
Detroit Southern	20⅜	7	14¾—Jan. 23	8½—Feb. 29	11	8½	8½
• preferred	39¾	14	29½—Jan. 25	17¼—Feb. 29	26½	17¼	17¼
Duluth So. S. & Atl., pref.	29⅜	10	16¾—Jan. 23	11½—Feb. 29	14¾	11½	11½
Erie	42⅝	23	29¼—Jan. 2	22 —Feb. 26	27¾	22	23
• 1st pref.	74	62½	69¾—Jan. 27	61½—Feb. 29	66⅝	61½	62
• 2d pref.	64⅞	44	50½—Jan. 2	37¼—Feb. 29	47½	37¼	38⅜
Evansville & Terre Haute	72½	39½	66½—Jan. 27	62 —Jan. 11	65	65	65
Express Adams	235	214	225 —Jan. 6	223 —Jan. 11	225	225	225
• American	235	171	197 —Jan. 27	190 —Feb. 6	190¼	190	190¼
• United States	150¼	95	110 —Jan. 25	100 —Feb. 24	105	100	100
• Wells, Fargo	249½	191	212 —Jan. 6	205 —Jan. 30	205	205	205
Hocking Valley	106½	63	77½—Jan. 22	70 —Feb. 11	76⅞	70	73¼
• preferred	99¼	77	85 —Jan. 7	80 —Feb. 27	85	80	80
Illinois Central	151	125½	134¾—Jan. 28	125¾—Feb. 24	130½	125¾	126½
Iowa Central	48	16	22⅞—Jan. 8	17 —Feb. 18	21	17	18½
• preferred	77⅜	30½	42 —Jan. 14	32 —Feb. 25	36	32	33
Kansas City Southern	36¼	16½	21 —Jan. 21	16½—Feb. 24	19½	16½	16½
• preferred	61¼	29	38¾—Jan. 19	31 —Feb. 29	37	31	31
Kans. City Ft. S. & Mem. pref.	82¾	62¼	69 —Jan. 21	65 —Feb. 8	68	65	65
Louisville & Nashville	130½	95	111½—Jan. 22	101 —Feb. 23	107¼	101	102
Manhattan consol	155½	126¼	146½—Jan. 22	140 —Feb. 8	143⅝	140	141½
Metropolitan securities	128⅞	70½	92 —Jan. 21	83 —Feb. 8	89¾	83	84
Metropolitan Street	142⅞	99⅞	124 —Jan. 2	114 —Feb. 24	120½	114	114½
Mexican Central	29	8½	14½—Jan. 11	9⅛—Feb. 25	12½	9⅛	10¼
Minneapolis & St. Louis	110	41	67¾—Jan. 18	61 —Feb. 18	65	61	61
• preferred	118	83	94¾—Jan. 21	90 —Jan. 6	....	....	....
Minn., S. P. & S. S. Marie	79½	42	67 —Jan. 20	55 —Jan. 4	65	58	58½
• preferred	132¼	109½	126¾—Jan. 28	117 —Feb. 25	124½	117	117
Missouri, Kan. & Tex.	30½	15½	19 —Jan. 21	14⅝—Feb. 24	17⅞	14⅝	15
• preferred	63½	33	42½—Jan. 22	35 —Feb. 23	40	35	35½
Missouri Pacific	115⅞	85¾	95⅞—Jan. 22	87 —Feb. 24	94	87	87¾
Natl. of Mexico, pref.	47⅝	34½	41 —Jan. 11	34¾—Feb. 25	38½	34¾	34¾
• 2d preferred	28½	17	21⅞—Jan. 8	15⅞—Feb. 25	20	15⅞	16
N. Y. Cent. & Hudson River	156	112⅝	122 —Jan. 8	113 —Feb. 24	119¾	113	114½
N. Y., Chicago & St. Louis	45	19½	32¼—Jan. 23	26½—Feb. 24	29½	26½	26½
• 2d preferred	87	50	69 —Jan. 26	63 —Jan. 19	....	....	....

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	YEAR 1903.		HIGHEST AND LOWEST IN 1904.		FEBRUARY, 1904.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
N. Y., Ontario & Western.....	35¼	19	24¼—Jan. 25	19⅛—Feb. 23	23¼	19⅛	20¼
Norfolk & Western............	76¼	54¾	62¾—Jan. 28	55 —Feb. 24	60⅞	55	56
" preferred............	93½	85	89 —Jan. 5	88⅜—Feb. 25	88⅜	88⅜	88⅜
North American Co...........	124½	68	90 —Jan. 26	81 —Feb. 8	87	81	82
Pacific Mail.....................	42¾	17	33½—Jan. 18	24 —Feb. 27	29⅜	24	25
Pennsylvania R. R............	157⅞	110¾	123⅛—Jan. 27	112⅛—Feb. 24	121⅛	112⅛	113¼
People's Gas & Coke of Chic.	108⅜	87¾	102⅝—Jan. 23	95½—Jan. 6	101½	97¼	97½
Pullman Palace Car Co........	235¾	196	219½—Jan. 22	210 —Feb. 20	215½	210	210
Reading..........................	69¼	37½	48 —Jan. 25	39⅛—Feb. 24	45⅝	39⅛	40¼
" 1st prefered..........	89⅞	78	81 —Jan. 25	77¼—Jan. 5	80	79	80
" 2d preferred.........	81	55¾	62 —Jan. 25	55¼—Feb. 25	59¾	55¼	56
Rock Island....................	53⅜	19½	27⅛—Jan. 22	19⅜—Feb. 23	24⅛	19⅜	20¾
" preferred............	86	55¾	68⅞—Jan. 22	57¾—Jan. 6	64⅛	59½	60⅞
St. L. & San Fran. 2d pref....	78	39	49¼—Jan. 23	39¼—Jan. 6	48	40½	42
St. Louis & Southwestern....	30	12	16¼—Jan. 22	13⅛—Feb. 6	14¾	13⅛	13½
" preferred............	66	24	36¾—Jan. 23	29½—Feb. 24	34⅜	29½	30⅜
Southern Pacific Co..........	68¼	38⅜	52½—Jan. 27	42½—Feb. 24	50⅝	42½	43⅝
Southern Railway...........	36⅞	16½	23⅛—Jan. 27	18¼—Feb. 24	22½	18¼	18¾
" preferred............	96	69½	86¼—Jan. 22	77½—Jan. 6	83⅞	77½	78⅞
Tennessee Coal & Iron Co....	68¾	25⅞	41 —Jan. 27	34¼—Feb. 24	38	34¼	35¾
Texas & Pacific................	43⅜	20½	27¾—Jan. 23	21½—Feb. 23	26⅛	21½	22½
Toledo, St. Louis & Western..	31⅞	15	29¼—Jan. 23	22 —Feb. 20	26¾	22	24½
" preferred............	48	24	39¾—Jan. 18	32 —Feb. 24	36½	32	34
Union Pacific.................	104⅝	65½	82⅛—Jan. 22	72¼—Feb. 24	81⅝	72¼	73¾
" preferred............	95¼	83½	91½—Jan. 29	86½—Feb. 25	91½	86½	87
Wabash R. R..................	32¾	16⅝	21¾—Jan. 27	17 —Feb. 24	20½	17	17½
" preferred............	55¼	27½	41 —Jan. 25	32¾—Feb. 24	39⅝	32¾	33¼
Western Union................	93	80¼	89 —Jan. 27	86 —Jan. 6	88¼	86½	87¾
Wheeling & Lake Erie........	27½	12	19⅛—Jan. 22	14⅛—Feb. 23	17½	14½	14½
" second preferred....	38½	20	29¾—Jan. 27	22 —Feb. 24	26½	22	24
Wisconsin Central............	29¼	14½	21⅞—Jan. 20	16½—Jan. 4	20¼	17¼	17¼
" preferred............	55½	33	47⅞—Jan. 27	38 —Jan. 4	44½	39	39
"INDUSTRIAL"							
Amalgamated Copper........	75⅝	33⅝	52 —Jan. 2	43⅛—Feb. 8	51⅞	43⅛	46⅝
American Car & Foundry....	41¾	17¼	21⅝—Jan. 27	17¾—Jan. 6	20¼	18½	19
" pref....................	93	60½	72 —Jan. 27	67 —Jan. 6	69½	67	68¾
American Co. Oil Co..........	46¼	25¼	32⅞—Jan. 25	28½—Jan. 7	31	29	29
American Ice..................	11⅞	4	9¼—Jan. 2	7⅛—Feb. 9	8⅜	7⅛	8
American Locomotive........	31⅝	10½	23⅜—Feb. 16	16½—Jan. 6	23⅜	19⅜	22¼
" preferred............	95¾	67½	80½—Jan. 27	75½—Jan. 6	80	77	79
Am. Smelting & Refining Co.	52⅞	36¾	51½—Jan. 28	46 —Feb. 25	50	46	47¼
" preferred............	99½	80¼	94½—Jan. 28	88¾—Jan. 6	93½	89¼	90
American Sugar Ref. Co......	134⅝	107⅛	131⅝—Jan. 25	122⅝—Feb. 24	128	122⅝	124½
Anaconda Copper Mining....	125½	58	78½—Jan. 5	61 —Feb. 20	74	61	65
Continental Tobacco Co. pref.	119	94¾	109½—Jan. 22	101½—Jan. 4	105	101½	103½
Corn Products.................	35	15½	22⅜—Jan. 25	17 —Feb. 24	20¾	17	17½
" preferred............	85½	60	74½—Jan. 23	68⅜—Jan. 15	72¼	69	69
Distillers securities...........	34¾	20	26½—Jan. 21	22¾—Feb. 29	24¾	22¾	22¾
General Electric Co...........	204	136	179¼—Jan. 23	156½—Feb. 24	172	156½	160
International Paper Co.......	19⅞	9	14⅜—Jan. 25	10¾—Jan. 6	13⅛	11	11½
" preferred............	74¼	57½	67½—Jan. 23	64⅛—Feb. 9	67	64⅛	65
National Biscuit..............	47⅝	32	40¾—Feb. 8	36 —Jan. 4	40¾	39¾	39¾
National Lead Co..............	29½	10½	16½—Jan. 23	14⅛—Feb. 25	15½	14⅛	14⅛
Pressed Steel Car Co..........	65¾	22½	33 —Jan. 28	26½—Feb. 24	30¾	26½	28¼
" preferred............	95	62½	72½—Jan. 28	69 —Jan. 2	71½	69	69
Republic Iron & Steel Co.....	22⅝	5⅝	8¾—Jan. 25	6½—Jan. 6	8¼	7	7⅜
" preferred............	80⅜	36¾	49½—Jan. 23	40½—Jan. 4	45	41	41
Rubber Goods Mfg. Co.........	30	12	22¼—Jan. 27	17¼—Jan. 6	21	18½	19
" preferred............	84½	60	79½—Jan. 27	74¾—Jan. 15	78	78	78
U. S. Leather Co..............	15¼	6	8¼—Jan. 25	6¾—Feb. 23	7½	6¾	6⅞
" preferred............	96¾	71½	79¾—Jan. 25	75⅝—Jan. 4	78	75⅝	77½
U. S. Realty & Con............	28½	4	9⅜—Jan. 21	5⅛—Jan. 15	8¾	7	7
" preferred............			57¾—Feb. 3	40 —Jan. 14	57¾	49	49¼
U. S. Rubber Co...............	19⅛	7	14⅜—Jan. 27	10½—Feb. 6	13⅜	10½	12
" preferred............	58	30¼	54½—Jan. 27	41 —Jan. 4	52	45½	47¾
U. S. Steel......................	39⅞	10	12⅝—Jan. 2	9⅝—Jan. 6	11¾	10½	10⅞
" pref.....................	89¾	49¾	60 —Jan. 22	54¼—Feb. 1	58⅜	54¼	56½

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

Last Sale, Price and Date and Highest and Lowest Prices and Total Sales for the Month.

Note.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int's Paid.	Last Sale. Price.	Last Sale. Date.	February Sales. High.	February Sales. Low.	February Sales. Total.
Ann Arbor 1st g 4's	1995	7,000,000	Q J	92	Feb. 29,'04	93¼	92	22,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	148,155,000	A & O	100	Feb. 29,'04	100	99¼	1,250,500
" registered		....	A & O	99¾	Feb. 17,'04	99¾	99¾	5,000
" adjustment, g. 4's	1995	25,616,000	NOV	87¾	Feb. 29,'04	89¼	87¼	84,000
" registered		....	NOV	82½	Jan. 26,'04	....	....	....
" stamped	1995	26,112,000	M & N	88⅛	Feb. 17,'04	89⅝	87¼	115,500
" serial debenture 4's—								
" series C	1905	2,500,000	F & A	....		....	....	....
" registered		....	F & A	....		....	....	....
" series D	1906	2,500,000	F & A	98	Feb. 1,'04	98	98	15,000
" registered		....	F & A	....		....	....	....
" series E	1907	2,500,000	F & A	....		....	....	....
" registered		....	F & A	....		....	....	....
" series F	1908	2,500,000	F & A	....		....	....	....
" registered		....	F & A	....		....	....	....
" series G	1909	2,500,000	F & A	....		....	....	....
" registered		....	F & A	....		....	....	....
" series H	1910	2,500,000	F & A	....		....	....	....
" registered		....	F & A	....		....	....	....
" series I	1911	2,500,000	F & A	....		....	....	....
" registered		....	F & A	....		....	....	....
" series J	1912	2,500,000	F & A	....		....	....	....
" registered		....	F & A	....		....	....	....
" series K	1913	2,500,000	F & A	....		....	....	....
" registered		....	F & A	....		....	....	....
" series L	1914	2,500,000	F & A	92⅞	Nov. 10,'02	....	....	....
" registered		....	F & A	....		....	....	....
" East.Okla.div.1stg.4's	1928	5,645,000	M & S	93⅛	Dec. 21,'03	....	....	....
" " registered		....	M & S	....		....	....	....
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S	....		....	....	....
Atl. Knox. & Nor. Ry. 1st g. 5s	1946	1,000,000	J & D	114½	Oct. 8,'02	....	....	....
Atlan.Coast LineR.R.Co.1stg.4's	1952	35,844,000	M & S	92¾	Feb. 29,'04	93⅞	92⅛	420,000
" registered			M & S	92	Feb. 15,'04	92	92	1,000
Charleston & Savannah 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'99	....	....	....
Savanh Florida & W'n 1st g. 6's	1934	4,056,000	A & O	125½	Nov. 30,'03	....	....	....
" 1st g. 5's	1934	2,444,000	A & O	112⅝	Jan. 26,'04	....	....	....
Alabama Midland 1st gtd g. 5's	1928	2,800,000	M & N	111	Apr. 20,'03	....	....	....
Brunswick & W'n 1st gtd. g. 4's	1938	3,000,000	J & J	87	Aug. 22,'01	....	....	....
Sil.Sps Oc.& G.RR.&ld g.gtd g.4s	1918	1,067,000	J & J	91⅛	Oct. 30,'03	....	....	....
Balt. & Ohio prior lien g. 3½s	1925	71,798,000	J & J	93⅛	Feb. 29,'04	94¾	92⅞	100,000
" registered			J & J	94½	Jan. 12,'03	....	....	....
" g. 4s	1948	69,963,000	A & O	101¼	Feb. 29,'04	101¾	100¼	289,500
" g. 4s. registered			A & O	101⅝	Feb. 17,'04	101⅝	101⅝	1,000
" ten year c. deb. g. 4's	1911	592,000	M & S	94	Nov. 23,'03	....	....	....
Pitt Jun. & M. div. 1st g. 3½s.	1925	11,293,000	M & N	89¼	Feb. 15,'04	89¼	89¼	1,500
" registered			QFeb	....		....	....	....
Pitt L. E. & West Va. System								
" refunding g 4s	1941	20,000,000	M & N	92½	Feb. 24,'04	97	92½	27,000
" Southw'n div. 1st g. 3½s	1925	43,590,000	J & J	88	Feb. 29,'04	88⅝	87¼	192,500
" registered			Q J	90¼	July 16,'01	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	114¼	June 27,'02	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1908	1,009,000	M & S	109¾	Oct. 28,'03	....	....	....
Ptsbg Clev. & Toledo, 1st g.6's	1922	515,000	A & O	123	Jan. 12,'04	....	....	....
Pittsburg & Western, 1st g.4's	1917	688,000	J & J	98	Aug. 1,'03	....	....	....
" J. P. Morgan & Co. cer		1,921,000	......	100¼	Feb. 13,'03	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,427,000	M & S	116	Feb. 25,'04	116	115	18,000
Alleghany & Wn. 1st g. gtd 4's	1998	2,000,000	A & O	....		....	....	....
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	128	June 6,'02	....	....	....
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	124¼	June 22,'03	....	....	....
" cons. 1st 6's,	1922	3,920,000	J & D	121⅛	Feb. 27,'04	121¼	121⅛	3,000
Buff. & Susq. 1st refundg g. 4's	1951	3,309,000	J & J	98⅛	Feb. 29,'04	98¼	97⅝	72,000
" registered			J & J	....		....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name.	Principal Due	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	February Sales. High.	February Sales. Low.	February Sales. Total.
Burlington, Cedar R. & N. 1st 5's,	1906	6,500,000	J & D	102¼	Feb. 26,'04	102¼	102	14,000
" con. 1st & col. tst 5's.	1934	11,000,000	A & O	117	Jan. 19,'04	....	....	....
" registered			A & O	120⅛	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's.	1921	1,905,000	A & O	118	Jan. 27,'02	....	....	....
Minneap's & St. Louis 1st 7's, g,	1927	150,000	J & D	40	Aug. 21,'95	....	....	....
Canada Southern 1st int. gtd 5's,	1908	14,000,000	J & J	102⅞	Feb. 29,'04	103	102⅛	179,000
" 2d mortg. 5's,	1913	6,000,000	M & S	107½	Feb. 24,'04	107¼	106¾	40,000
" registered			M & S	107	Aug. 14,'03	....	....	....
Central Branch U. Pac. 1st g. 4's.	1948	2,500,000	J & D	92½	Jan. 11,'04	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's,	1937	4,880,000	M & N	103½	Nov. 14,'03	....	....	....
Central R'y of Georgia, 1st g. 5's.	1945	7,000,000	F & A	116⅛	Feb. 24,'04	116⅛	116⅛	15,000
" registered $1,000 & $5,000			F & A	....		....	....	....
" con. g. 5's	1945	16,700,000	M & N	105⅛	Feb. 29,'04	106	105	78,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	105⅛	Sept. 18,'01	....	....	....
" 1st. pref. inc. g. 5's,	1945	4,000,000	OCT 1	67	Feb. 20,'04	71	67	38,000
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	29	Feb. 20,'04	30⅛	29	79,000
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	18⅝	Feb. 6,'04	19⅛	18⅝	45,000
" Chat. div. pur. my. g. 4's.	1951	1,840,000	J & D	92	Aug. 21,'02	....	....	....
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	104	Feb. 19,'04	104	104	1,000
" Mid. Ga. & Atl. div. g 5s.	1947	418,000	J & J	102	June 29,'99	....	....	....
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	103	July 2,'03	....	....	....
Central of New Jersey, gen. g. 5's	1987	45,091,000	J & J	128⅛	Feb. 27,'04	131⅜	128⅛	34,000
" registered			Q J	130	Feb. 5,'04	130	130	1,500
Am. Dock & Improvm't Co. 5's,	1921	4,987,000	J & J	111¾	Feb. 29,'04	111¾	111⅛	2,000
Lehigh & H. R. gen. gtd g. 5's.	1920	1,062,000	J & J	....		....	....	....
Lehigh & W.-B. Coal con. 5's.	1912	2,691,000	Q M	105	Dec. 8,'03	....	....	....
" con. extended gtd. 4½'s.	1910	12,175,000	Q M	101⅛	Feb. 16,'04	102	101⅜	39,000
N.Y. & Long Branch gen. g. 4's.	1941	1,500,000	M & S	....		....	....	....
Ches. & Ohio 6's, g., Series A	1908	2,000,000	A & O	108½	Feb. 24,'04	108½	108¼	4,000
" Mortgage gold 6's	1911	2,000,000	A & O	111	Jan. 2,'04	....	....	....
" 1st con. g. 5's	1939	25,858,000	M & N	115⅛	Feb. 26,'04	116¼	115¼	96,000
" registered			M & N	115	Feb. 10,'04	115	115	5,000
" Gen. m. g. 4½'s	1992	37,073,000	M & S	103	Feb. 29,'04	103⅜	103	408,000
" registered			M & S	95	Dec. 22,'03	....	....	....
" Craig Val. 1st g. 5's	1940	650,000	J & J	112	May 14,'03	....	....	....
" (R. & A. d.) 1st c. g. 4's,	1989	6,000,000	J & J	100⅞	Feb. 15,'04	101⅛	100⅞	12,000
" 2d con. g. 4's	1989	1,000,000	J & J	94½	Jan. 27,'04	....	....	....
" Warm S. Val. 1st g. 5's,	1941	400,000	M & S	106⅛	Oct. 29,'02	....	....	....
Greenbrier Ry. 1st gtd. 4's	1940	2,000,000	M & N	90⅝	Dec. 30,'03	....	....	....
Chic. & Alton R. R. ref. g. 3's	1949	29,696,000	A & O	83¾	Feb. 25,'04	84	82	79,000
" " registered			A & O	....		....	....	....
Chic. & Alton Ry 1st lien g. 3½'s.	1950	22,000,000	J & J	75⅛	Feb. 29,'04	76¾	75	125,000
" registered			J & J	83¾	Apr. 16,'02	....	....	....
Chicago, Burl. & Quincy:								
" Chic. & Iowa div. 5's	1905	2,320,000	F & A	104¾	Apr. 11,'19	....	....	....
" Denver div. 4's	1922	5,030,000	F & A	99	Feb. 3,'04	99	99	1,000
" Illinois div. 3½s	1949	41,000,000	J & J	91¼	Feb. 23,'04	93	91	46,000
" registered			J & J	91⅝	Feb. 15,'04	91⅝	91⅝	4,000
" (Iowa div.) sink. f'd 5's,	1919	2,505,000	A & O	109⅛	Dec. 23,'03	....	....	....
" 4's	1919	8,222,000	A & O	100¾	Nov. 6,'03	....	....	....
" Nebraska extensi'n 4's,	1927	25,627,000	M & N	105	Feb. 29,'04	105⅝	105	36,000
" registered			M & N	105	Dec. 2,'03	....	....	....
" Southwestern div. 4's.	1921	2,650,000	M & S	100¾	Feb. 8,'04	100¾	100¾	5,000
" 4's joint bonds	1921	215,205,000	J & J	91⅞	Feb. 29,'04	93¾	91	1,153,000
" " registered			Q JAN	91⅝	Feb. 24,'04	93¼	91⅛	25,000
" 5's, debentures	1913	9,000,000	M & N	106	Feb. 26,'04	106⅛	105¾	9,000
Han. & St. Jos. con. 6's	1911	8,000,000	M & S	115	Feb. 27,'04	115	115	5,000
Chicago & E. Ill. 1st s. f'd c'y. 6's.	1907	2,989,000	J & D	106¼	Jan. 14,'04	....	....	....
" small bonds			J & D	113	Apr. 2,'96	....	....	....
" 1st con. 6's, gold	1934	2,653,000	A & O	129⅝	Oct. 22,'03	....	....	....
" gen. con. 1st 5's	1937	14,020,000	M & N	116	Feb. 25,'04	116⅝	116	30,000
" registered			M & N	119⅛	Apr. 13,'03	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	113	Jan. 16,'04	....	....	....
Chicago, Indianapolis & Louisville.								
" refunding g. 6's	1947	4,700,000	J & J	126⅛	Feb. 11,'04	126⅛	126⅛	1,000
" ref. g. 5's	1947	4,442,000	J & J	108	July 24,'03	....	....	....
Louisv. N. Alb. & Chic. 1st 6's.	1910	3,000,000	J & J	108	Jan. 18,'04	....	....	....

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Chicago, Milwaukee & St. Paul.								
Chicago Mil. & St. Paul con. 7's	1905	1,751,000	J & J	170	Feb. 5,'04	170	170	3,000
• terminal g. 5's	1914	4,748,000	J & J	111¼	Dec. 15,'03			
• gen. g. 4's, series A	1989	23,676,000	J & J	108½	Feb. 15,'04	108¾	108½	13,000
• registered			Q J	111	Dec. 8,'02			
• gen. g. 3½'s, series B	1989	2,500,000	J & J	98⅝	Jan. 15,'04			
• registered			J & J					
• Chic. & Lake Sup. 5's	1921	1,360,000	J & J	116½	Apr. 29,'03			
• Chic. & M. R. div. 5's	1926	3,083,000	J & J	119	Jan. 28,'04			
• Chic. & Pac. div. 6's	1910	3,000,000	J & J	110¼	Feb. 23,'04	110½	110¼	2,000
• 1st Chic. & P. W. g. 5's	1921	25,340,000	J & J	115⅛	Feb. 29,'04	116	115	39,000
• Dakota & Gt. S. g. 5's	1916	2,856,000	J & J	111½	Nov. 25,'03			
• Far. & So. g. 6's assu.	1924	1,250,000	J & J	137½	July 18,'98			
• 1st H'st & Dk. div. 7's	1910	5,680,000	J & J	118	Feb. 16,'04	118½	117¼	13,000
• 1st 5's	1910	990,000	J & J	106	Jan. 15,'04			
• 1st 7's, Iowa & D. ex.	1908	1,048,000	J & J	183	Feb. 28,'03			
• 1st 5's, La. C. & Dav.	1919	2,500,000	J & J	113⅜	Oct. 28,'03			
• Mineral Point div. 5's	1910	2,840,000	J & J	105¼	July 29,'03			
• 1st So. Min. div. 6's	1910	7,432,000	J & J	110¾	Jan. 28,'04			
• 1st 6's, Southw'n div.	1909	4,000,000	J & J	109¾	Feb. 2,'04	109¾	109¾	1,000
• Wis. & Min. div. g. 5's	1921	4,755,000	J & J	114¼	Feb. 8,'04	114¼	114¼	1,000
• Mil. & N. 1st M. L. 6's	1910	2,155,000	J & D	113	Oct. 27,'03			
• 1st con. 6's	1913	5,092,000	J & D	116	July 20,'03			
Chic. & Northwestern con. 7's	1915	12,832,000	Q F	129⅜	Feb. 4,'04	129⅜	129⅜	1,000
• extension 4's	1886–1926	18,632,000	F A 15	104	Jan. 2,'04			
• registered			F A 15	106⅜	Oct. 9,'02			
• gen. g. 3½'s	1987	20,538,000	M & N	98⅛	Feb. 20,'04	98½	98⅛	10,000
• registered			Q F	103	Nov. 19,'98			
• sinking fund 6's	1879–1929	5,686,000	A & O	109¾	Feb. 1,'04	109¾	109¾	1,000
• registered			A & O	111½	Dec. 11,'03			
• sinking fund 5s'	1879–1929	6,769,000	A & O	109½	Jan. 15,'04			
• registered			A & O	106¾	Mar. 30,'03			
• deben. 5's	1909	5,900,000	M & N	105	Feb. 29,'04	106	104½	34,000
• registered			M & N	104¼	Jan. 21,'04			
• deben. 5's	1921	10,000,000	A & O	108⅞	Jan. 22,'04			
• registered			A & O	108¾	Jan. 12,'04			
• sinking f'd deben. 5's	1933	9,800,000	M & N	115½	Feb. 10,'04	115½	115½	1,000
• registered			M & N	123	May 28,'01			
Des Moines & Minn. 1st 7's	1907	600,000	F & A	127	Apr. 8,'84			
Milwaukee & Madison 1st 6's	1905	1,600,000	M & S	106	Nov. 5,'02			
Northern Illinois 1st 5's	1910	1,500,000	M & S	108	Oct. 9,'02			
Ottumwa C. F. & St. P. 1st 5's	1909	1,600,000	M & S	105⅝	Nov. 17,'03			
Winona & St. Peters 2d 7's	1907	1,592,000	M & N	111¼	Dec. 23,'03			
Mil., L. Shore & We'n 1st g. 6's	1921	5,000,000	M & N	128⅜	Feb. 29,'04	128½	128¼	12,000
• ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	119¾	Dec. 22,'03			
• Ashland div. 1st g. 6's	1925	1,000,000	M & S	142½	Feb. 10,'02			
• Michigan div. 1st g. 6's	1924	1,281,000	J & J	131¾	Dec. 3,'03			
• con. deb. 5's	1907	436,000	F & A	107½	Feb. 21,'01			
• incomes	1911	500,000	M & N	109	Sept. 9,'02			
Chic., Rock Is. & Pac. 6's coup.	1917	12,500,000	J & J	122⅛	Jan. 12,'04			
• registered	1917		J & J	120	Feb. 17,'04	120	120	5,000
• gen. g. 4's	1988	61,581,000	J & J	102½	Feb. 26,'04	103	101½	125,000
• registered			J & J	107	Jan. 16,'03			
• coll. tr. ser. 4's ser. B	1904	1,494,000	M & N	98	Aug. 18,'03			
• C	1905	1,494,000	M & N	100⅜	July 2,'02			
• D	1906	1,494,000	M & N					
• E	1907	1,494,000	M & N					
• F	1908	1,494,000	M & N					
• G	1909	1,494,000	M & N					
• H	1910	1,494,000	M & N	99⅝	June 3,'02			
• I	1911	1,494,000	M & N					
• J	1912	1,494,000	M & N					
• K	1913	1,494,000	M & N					
• L	1914	1,494,000	M & N					
• M	1915	1,494,000	M & N	99½	July 01,'02			
• N	1916	1,494,000	M & N	99⅜	June 28,'20			
• O	1917	1,494,000	M & N					
• P	1918	1,494,000	M & N	87	Aug. 7,'03			
Chic. Rock Is. & Pac. R.R. 4's	2002	69,557,000	M & N	68⅛	Feb. 29,'04	72	67½	979,000
• registered			M & N	88¼	Jan. 7,'03			
• coll. trust g. 5's	1913	17,059,000	M & S	80¼	Feb. 29,'04	82⅛	79⅛	1,146,000
Choc., Okla. & Glf. gen. g. 5s	1919	1,200,000	J & J	104⅝	Jan. 26,'04			
• con. g. 5's	1952	5,500,000	J & J					
Des Moines & Ft. Dodge 1st 4's	1905	5,411,000	J & J	95¼	Oct. 1,'03			
• 1st 2½'s	1905	1,200,000	J & J	90	Oct. 1,'03			
• extension 4 s		672,000	J & J	98	Jan. 13,'04			
Keokuk & Des M. 1st mor. 5's	1923	2,750,000	A & O	104½	Nov. 6,'03			
• small bond	1923		A & O	107	Oct. 1,'01			

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Chic., St.P., Minn.& Oma.con.6's	1930	14,643,000	J & D	131	Feb. 26,'04	131⅛	131	8,000
" con.6's reduced to 3½'s	1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's	1918	1,880,000	M & N	131	Feb. 26,'04	131	131	1,000
North Wisconsin 1st mort. 6's	1930	690,000	J & J	126⅛	Sept.23,'03	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	121	Feb. 25,'04	121	121	1,000
Chic., Term. Trans. R. R. g. 4's	1947	13,635,000	J & J	80	Feb. 29,'04	82	79	52,000
Chic. & Wn. Ind. gen'l g. 6's	1932	9,647,000	Q M	109⅛	Oct. 26,'03	....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	927,000	A & O	104⅛	Dec. 5,'03	....	....	....
" 2d g. 4½'s	1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's	1941	3,500,000	M & N	113	Dec. 22,'03	....	....	....
Clev., Cin., Chic.& St.L. gen.g. 4's	1993	17,657,000	J & D	98⅛	Feb. 29,'04	98⅛	97¼	78,000
" do Cairo div. 1st g. 4's	1939	5,000,000	J & J	101½	Oct. 8,'02	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	98	Feb. 2,'04	98	98	2,000
St. Louis div. 1st col. trust g.4's	1990	9,750,000	M & N	99¾	Feb. 27,'04	101¾	99¾	32,000
" registered				99	Jan. 28,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	102	Dec. 9,'02	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	94⅛	Aug.31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g.4's	1936	7,674,000	Q F	101	Jan. 27,'04	....	....	....
" registered				95	Nov. 15,'94	....	....	....
" con. 6's	1920	668,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky & Clev. con. 1st g.5's	1928	2,571,000	J & J	112⅞	Nov.17,'03	....	....	....
Clev., C., C. & Ind. con. 7's	1914	3,991,000	J & D	120	July 28,'02	....	....	....
" sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
" gen. consol 6's	1934	3,205,000	J & J	130	Dec. 15,'03	....	....	....
" registered			J & J	....	....	....	....	....
Ind. Bloom. & West. 1st pfd 4's	1940	981,500	A & O	104½	Nov.19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	97	Feb. 25,'04	97	97	11,000
" income 4's	1990	4,000,000	A	64	Feb. 29,'04	64	63	31,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	5,000,000	A & O	112⅛	Feb. 9,'04	112⅛	112⅛	1,000
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	116	Feb. 10,'04	116	116	2,000
" registered			Q J	....	....	....	....	....
Col. Midld Ry. 1st g. 4's	1947	8,946,000	J & J	60	Feb. 29,'04	61	60	39,000
Colorado & Southern 1st g. 4's	1929	18,803,000	F & A	85	Feb. 29,'04	87¼	84⅛	184,000
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	112⅝	Jan. 25,'04	....	....	....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	129¼	Feb. 11,'04	129¼	129¼	1,000
" 1st c. gtd 7's	1915	11,677,000	J & D	130⅝	Feb. 16,'04	130⅝	130⅝	3,000
" registered			J & D	140	Oct. 26,'98	....	....	....
" 1st refund.gtd.g.3½'s	2000	7,000,000	J & D	....	....	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	127	Jan. 5,'04	....	....	....
" const. 5's	1923	5,000,000	F & A	111¼	Feb. 5,'04	111¼	111¼	1,000
" terml. imp. 4's	1923	5,000,000	M & N	100¼	Jan. 27,'04	....	....	....
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	109⅞	Feb. 8,'04	109⅞	109⅞	16,000
Warren Rd. 1st rfdg. gtd g.3½'s	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
" 1st Penn. Div. c. 7's	1917	5,000,000	M & S	137	Feb. 11,'04	137	137	1,000
" reg	1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	108	Jan. 26,'04	....	....	....
" registered			A & O	122	June 6,'99	....	....	....
" 6's	1906	7,000,000	A & O	105⅛	Dec. 29,'03	....	....	....
" registered			A & O	109⅛	Nov. 16,'01	....	....	....
Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	143¾	Nov.10,'02	....	....	....
" 1st r 7's	1921		M & N	147¾	June18,'03	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	33,450,000	J & J	97¼	Feb. 27,'04	98⅛	97¼	61,000
" con. g. 4½'s	1936	6,382,000	J & J	106⅝	May 22,'03	....	....	....
" impt. m. g. 5's	1928	8,318,500	J & D	104¼	Feb. 11,'04	104¼	104¼	1,000
Rio Grande Western 1st g. 4's	1939	15,200,000	J & J	95¼	Feb. 26,'04	96¼	95	30,000
" mge.&col.tr.g.4's ser.A	1949	12,200,000	A & O	85⅛	Jan. 25,'04	....	....	....
Utah Central 1st gtd. g. 4's	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Denv. & Southern Ry g. s. fg. 5's	1929	4,923,000	J & D	35	Jan. 21,'04	....	....	....
Des Moines Union Ry 1st g. 5's	1917	623,000	M & N	111	Feb. 28,'03	....	....	....
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	97	Dec. 4,'03	....	....	....
" g. 4s	1995	1,250,000	J & D	94	Jan. 2,'04	....	....	....
Detroit Southern 1st g. 4's	1951	3,866,000	J & D	75⅛	Aug.25,'03	....	....	....
" Ohio South. div. 1st g.4's	1941	4,281,000	M & S	84	Feb. 26,'04	84	83⅛	10,000
Duluth & Iron Range 1st 5's	1937	6,732,000	A & O	111¼	Jan. 25,'04	....	....	....
" registered			A & O	101⅛	July 23,'89	....	....	....
" 2d l m 6s	1916	2,000,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	2,816,000	J & J	111	Jan. 28,'04	....	....	....
Elgin Joliet & Eastern 1st g 5's	1941	8,500,000	M & N	115	Jan. 13,'04	....	....	....

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NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE *Price.*	*Date.*	FEBRUARY SALES. *High.*	*Low.*	*Total.*
Erie 1st ext. g. 4's.......1947	2,482,000	M & N	114	May 25,'03	....	....	....
" 2d extended g. 5's.....1919	2,149,000	M & S	112	Nov. 18,'03	....	....	....
" 3d extended g. 4½'s...1923	4,617,000	M & S	110¾	Feb. 25,'04	110¾	110⅛	28,000
" 4th extended g. 5's....1920	2,926,000	A & O	114⅛	Feb. 15,'04	114⅛	114⅛	5,000
" 5th extended g. 4's....1928	709,500	J & D	101⅞	June26,'03	....	....	....
" 1st cons. gold 7's.......1920	16,890,000	M & S	135⅛	Feb. 5,'04	135⅛	135⅛	1,000
" 1st cons. fund g. 7's....1920	3,699,500	M & S	130	Aug. 7,'03	....	....	....
Erie R.R. 1st con. g-4s prior bds.1996	35,000,000	J&J	98½	Feb. 27,'04	98¼	96½	194,000
" registered		J&J	96½	Jan. 21,'04	....	....	....
" 1st con. gen. lien g. 4s.1996	34,885,000	J&J	84	Feb. 29,'04	86¾	84	325,000
" registered........		J&J	85¾	Feb. 4,'04	85¾	85¾	1,000
" Penn. col. trust g. 4's.1951	32,000,000	F & A	89	Feb. 24,'04	90⅞	88¾	64,000
Buffalo, N. Y. & Erie 1st 7's.....1916	2,380,000	J & D	125¼	June17,'03	....	....	....
Buffalo & Southwestern g. 6's..1908	1,500,000	J&J	....		....	....	....
" small		J&J	....		....	....	....
Chicago & Erie 1st gold 5's.....1982	12,000,000	M & N	117¼	Feb. 23,'04	118	117¼	8,000
Jefferson R. R. 1st gtd g. 5's....1909	2,800,000	A & O	106	Aug. 5,'02	....	....	....
Long Dock consol. g. 6's.......1935	7,500,000	A & O	131	Feb. 4,'04	131	131	2,000
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's..........1922	1,100,000	M&N	113½	Jan. 12,'04	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's.........1913	3,396,000	J&J	113¼	Nov.25,'03	....	....	....
N. Y. & Greenw'd Lake gt g 5's..1946	1,453,000	M&N	108½	Jan. 6,'04	....	....	....
" small......................							
Midland R. of N. J. 1st g. 6's...1910	3,500,000	A & O	111½	Feb. 17,'04	111½	111½	3,500
N.Y., Sus.&W. 1st refdg. g. 5's..1937	3,745,000	J & J	109½	Jan. 8,'04	....	....	....
" 2d g. 4½'s...............1937	447,000	F & A	99	Nov. 4,'03	....	....	....
" gen. g. 5's.............1940	2,546,000	F & A	104	Jan. 22,'04	....	....	....
" term. 1st g. 5's.........1943	2,000,000	M & N	113¼	Jan. 8,'04	....	....	....
" registered......$5,000 each		M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's..1942	3,000,000	J & D	108	Feb. 4,'04	108	108	7,000
Evans. & Terre Haute 1st con. 6's.1921	3,000,000	J & J	116¾	Nov. 11,'03	....	....	....
" 1st General g 5's.........1942	2,223,000	A & O	103	Dec. 17,'03	....	....	....
" Mount Vernon 1st 6's...1923	375,000	A & O	112	June 2,'02	....	....	....
" Sul. Co. Bch. 1st g 5's...1930	450,000	A & O	95	Sept.15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's....1926	1,591,000	J & J	107	Dec. 17,'03	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s.1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's..1921	8,176,000	......	104	Feb. 25,'04	105¾	104	52,000
Ft. Worth & Rio Grande 1st g 5's.1928	2,863,000	J & J	74	Feb. 16,'04	74	73½	8,000
Galveston H. & H. of 1882 1st 5s..1913	2,000,000	A & O	101¾	Jan. 11,'04	....	....	....
Gulf & Ship Isl. 1st refg. & ter. 5's..1952	4,591,000	J & J	103	Feb. 17,'04	103⅛	102¼	27,000
" registered...................		J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s...1999	12,139,000	J & J	105	Feb. 29,'04	105¾	104⅞	115,000
" registered................		J & J	....		....	....	....
Col. Hock's Val. 1st ext. g. 4's.1848	1,401,000	A & O	101	Nov.23,'03	....	....	....
Illinois Central, 1st g. 4's..........1951	1,500,000	J&J	114	Oct. 27,'03	....	....	....
" registered..................		J&J	113½	Mar. 12,'19	....	....	....
" 1st gold 3½'s...........1951	2,499,000	J&J	99⅛	Oct. 14,'03	....	....	....
" registered..................		J&J	94	Mar. 28,'03	....	....	....
" extend 1st g 3½'s...: .1951	3,000,000	A & O	99¼	Oct. 22,'03	....	....	....
" registered..................		A & O	....		....	....	....
" 1st g 3s sterl. £500,000..1951	2,500,000	M & S	92½	July 13,'96	....	....	....
" registered..................		M & S	....		....	....	....
" total outstg.....$13,950,000							
" collat. trust gold 4's..1952	15,000,000	A & O	103	Nov. 6,'03	....	....	....
" regist'd..................		A & O	102	Oct. 4,'03	....	....	....
" col. t. g. 4s L. N. O. & Tex. 1953	24,679,000	M & N	103	Feb. 19,'04	103	102¼	8,000
" registered		M & N	104⅝	May 20,'02	....	....	....
" Cairo Bridge g 4's.....1950	3,000,000	J & D	106½	Mar. 7,'03	....	....	....
" registered..................		J & D	123	May 24,'99	....	....	....
" Louisville div. g. 3½'s.1953	14,320,000	J & J	95	Feb. 9,'04	95	95	8,000
" registered..................		J & J	88¼	Dec. 8,'99	....	....	....
" Middle div. reg. 5's...1921	600,000	F & A	95	Dec. 21,'99	....	....	....
" St. Louis div. g. 3's....1951	4,989,000	J & J	80	Jan. 12,'04	....	....	....
" registered..................		J & J	101¼	Jan. 31,'19	....	....	....
" g. 3½'s 1951	6,321,000	J & J	98¼	Jan. 14,'04	....	....	....
" registered..................		J & J	101½	Sept. 10,'95	....	....	....
" Sp'gfield div 1st g 3½'s.1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
" registered..................		J & J	124	Dec. 11,'99	....	....	....
" West'n Line 1st g. 4's. 1951	5,425,000	F & A	103⅛	Sept.26,'03	....	....	....
" registered..................		F & A	101½	Jan.31,'91	....	....	....
Belleville & Carodt 1st 6's......1923	470,000	J & D	124	May 16,'03	....	....	....

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Carbond'e & Shawt'n 1st g. 4's	1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's	1951	16,555,000	J D 15	119	Feb. 25,'04	119	118	4,000
• gold 5's, registered			J D 15	117	Oct. 3,'03	....	....	....
• g. 3½'s	1951	1,352,000	J D 15	87	Jan. 23,'04	....	....	....
• registered			J D 15	106¼	Aug.17,'99	....	....	....
• Memph. div. 1st g. 4's	1951	3,500,000	J & D	102¼	Dec. 15,'03	....	....	....
• registered			J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's	1931	538,000	M & S	101	Mar. 3,'02	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	107½	Sept.11,'03	....	....	....
• 1st gtd. g. 5's	1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's	1950	4,850,000	J & J	101	Feb. 29,'04	101	99	26,000
Internat. & Gt. N'n 1st. 6's, gold	1919	10,742,000	M & N	119¼	Feb. 19,'04	119¼	119¼	20,000
• 2d g. 5's	1909	9,842,000	M & S	99½	Feb. 29,'04	100	99	474,000
• 3d g. 4's	1921	2,731,500	M & S	70	Nov. 19,'03	....	....	....
Iowa Central 1st gold 5's	1938	7,650,000	J & D	110⅝	Feb. 19,'04	112	110⅝	6,000
• refunding g. 4's	1951	2,000,000	M & S	89	Feb. 5,'04	89	89	1,000
Kansas City Southern 1st g. 3's	1950	30,000,000	A & O	68¾	Feb. 27,'04	70½	68¾	49,000
• registered			A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	118	Feb. 26,'04	119	118	9,000
• 2d mtge. g. 5's	1941	3,625,000	J & J	112	Jan. 26,'04	....	....	....
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	112	Feb. 16,'04	112	112½	11,000
Lehigh Val. (Pa.) coll. g. 5's	1997	8,000,000	M & N	110	Feb. 3,'02	....	....	....
• registered			M & N	....	....	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J&J	105¾	Jan. 15,'04	....	....	....
• registered		....	J&J	105	Jan. 6,'04	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	113⅝	June 1,'02	....	....	....
• registered			A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,014,000	J & J	107	Jan. 19,'04	....	....	....
• registered	1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	94	Dec. 24,'03	....	....	....
• registered			M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	....	....	....	....	....
• • g. gtd 5's	1914	1,250,000	A & O	100	Mar. 25,'99	....	....	....
Long Island 1st cons. 5's	1931	3,610,000	Q J	113½	Aug. 25,'03	....	....	....
• 1st con. g. 4's	1931	1,121,000	Q J	101	Nov. 22,'99	....	....	....
Long Island gen. m. 4's	1938	3,000,000	J & D	100½	Feb. 29,'04	100½	100½	4,000
• Ferry 1st g. 4½'s	1922	1,494,000	M & S	101	Feb. 29,'04	101	101	5,000
• g. 4's	1932	325,000	J & D	102½	May 5,'97	....	....	....
• unified g. 4's	1949	6,860,000	M & S	99	Feb. 19,'04	99½	99	15,000
• deb. g. 5's	1934	1,135,000	J & D	111	Jan. 22,'02	....	....	....
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
• 1st 5's	1911	750,000	M & S	105¼	Mar. 3,'03	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's	1927	883,000	M & S	112½	Jan. 10,'02	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,425,000	Q JAN	112½	Apr. 9,'02	....	....	....
Louis. & Nash. gen. g. 6's	1930	8,584,000	J & D	115¼	Feb. 26,'04	116	115¼	6,000
• gold 5's	1937	1,764,000	M & N	110½	Dec. 18,'03	....	....	....
• Unified gold 4's	1940	29,677,000	J & J	98⅜	Feb. 29,'04	99	98	191,000
• registered	1940		J & J	83	Feb. 27,'93	....	....	....
• collateral trust g. 5's	1931	5,129,000	M & N	109	Jan. 29,'04	....	....	....
• E., Hend. & N. 1st 6's	1919	1,730,000	J & D	113	Nov. 5,'03	....	....	....
• L. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	108¼	Jan. 30,'03	....	....	....
• N. O. & Mobile 1st g. 6's	1930	5,000,000	J & J	124	Jan. 12,'04	....	....	....
• 2d g. 6's	1930	1,000,000	J & J	122¾	Aug.31,'03	....	....	....
• Pensacola div. g. 6's	1920	580,000	M & S	116⅝	Mar. 22,'02	....	....	....
• St. Louis div. 1st g. 6's	1921	3,500,000	M & S	125½	Aug. 12,'02	....	....	....
• 2d g. 3's	1980	3,000,000	M & S	75	June 20,'02	....	....	....
• H. B'ge 1st sk'fd. g 6's	1931	1,587,000	M & S	....	....	....	....	....
• Ken. Cent. g. 4's	1987	6,742,000	J & J	97¾	Jan. 27,'04	....	....	....
• L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	107½	June 2,'02	....	....	....
• South. Mon. joint 4's	1952	11,827,000	J & J	91¼	Feb. 23,'04	92	91¼	28,000
• registered			Q Jan	....	....	....	....	....
• N. Fla. & S. 1st g. g. 5's	1937	2,096,000	F & A	111	Dec. 8,'03	....	....	....
• Pen. & At. 1st g. g. 6's	1921	2,454,000	F & A	115	Jan. 29,'04	....	....	....
• S. & N. A. con. gtd. g. 5's	1936	3,673,000	F & A	115	Jan. 25,'04	....	....	....
• So. & N. Ala. si'fd. g. 6s	1910	1,942,000	A & O	110	Mar. 23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	100	Mar. 19,'01	....	....	....
Manhattan Railway Con. 4's	1990	28,065,000	A & O	103½	Feb. 27,'04	104	103	99,000
• registered			A & O	103⅞	Dec. 17,'02	....	....	....

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Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	108⅛	Feb. 25,'04	108⅛	108⅛	2,000
Manitoba Swn. Coloniza'n g. 5's	1934	2,544,000	J & D	....	....	....	....	....
Mexican Central.								
" con. mtge. 4's	1911	65,643,000	J & J	64¾	Feb. 29,'04	69	64	73,000
" 1st con. inc. 3's	1939	20,511,000	JULY	13	Feb. 29,'04	15	12¾	244,000
" 2d 3's	1939	11,724,000	JULY	8⅛	Feb. 10,'04	8⅛	7	75,000
" equip. & collat. g. 5's	1917	650,000	A & O	....	....	....	....	....
" 2d series g. 5's	1919	715,000	A & O	....	....	....	....	....
" col.trust g.4½'s1st se of	1907	10,000,000	F & A	92	Feb. 25,'04	94	91	32,000
Mexican Internat'l 1st con g. 4's	1977	3,362,000	M & S	90⅝	July 29,'01	....	....	....
" stamped gtd		3,621,000	......	....	....	....	....	....
Mexican Northern 1st g. 6's	1910	1,061,000	J & D	....	....	....	....	....
" registered			J & D	105	May 2,'19	....	....	....
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	142	Dec. 7,'03	....	....	....
" Iowa ext. 1st g. 7's	1909	1,015,000	J & D	112¾	Dec. 24,'03	....	....	....
" Pacific ext. 1st g. 6's	1921	1,382,000	J & A	120½	Feb. 29,'04	120½	120½	2,000
" Southw. ext. 1st g. 7's	1910	636,000	J & D	121	Jan. 21,'02	....	....	....
" 1st con. g. 5's	1934	5,000,000	M & N	114¼	Feb. 19,'04	115⅛	114¼	11,000
" 1st & refunding g. 4's	1949	7,600,000	M & S	97¾	Feb. 6,'04	97¾	97¾	8,000
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	26,815,000	J & J	98	Apr. 3,'01	....	....	....
" stamped pay. of int. gtd.				....	....	....	....	....
Minneapolis & Pacific 1st m. 5's	1936	337,000	J & J	102	Mar. 26,'87	....	....	....
" stamped 4's pay. of int. gtd.				....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,209,000	J & J	103	Nov. 11,'01	....	....	....
" stamped pay. of int. gtd.				89⅝	June 18,'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	40,000,000	J & D	97¼	Feb. 29,'04	98	96¾	157,000
" 2d mtge. g. 4's	1990	20,000,000	F & A	77	Feb. 26,'04	78⅛	75½	106,500
" 1st ext gold 5's	1944	2,868,000	M & N	100	Feb. 25,'04	100	98½	93,000
St. Louis div. 1st refundg 4s	2001	1,852,000	A & O	86	Oct. 16,'02	....	....	....
Dallas & Waco 1st gtd. g. 5's	1940	1,340,000	M & N	102	Jan. 26,'04	....	....	....
Mo. K.&T. of Tex 1st gtd.g. 5's	1942	3,907,000	M & S	101¾	Feb. 27,'04	101¾	99⅞	212,000
Sher.Shrevept & So1st gtd.g.5's	1943	1,689,000	J & D	100	Jan. 29,'04	....	....	....
Kan. City & Pacific 1st g. 4's	1990	2,500,000	F & A	87	Feb. 18,'04	88¾	87	6,000
Mo. Kan. & East'n 1st gtd. g. 5's	1942	4,000,000	A & O	111	Feb. 29,'04	111	111	3,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	119¾	Feb. 25,'04	119⅞	119	78,000
" 3d mortgage 7's	1906	3,828,000	M & N	108½	Dec. 30,'03	....	....	....
" trusts gold 5's stamp'd	1917	14,376,000	M & S	106¾	Feb. 25,'04	107	106⅛	62,000
" registered			M & S	....	....	....	....	....
" 1st collateral gold 5's	1920	9,636,000	F & A	104¾	Feb. 29,'04	105	103¾	22,000
" registered			F & A	....	....	....	....	....
Cent. Branch Ry. 1st gtg. g. 4's	1919	3,459,000	F & A	92	Feb. 25,'04	92	91⅞	10,000
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	100	May 1,'01	....	....	....
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	101	Feb. 25,'04	101	101	7,000
" 2d extended g. 5's	1938	2,573,000	F & A	113	Dec. 31,'03	....	....	....
St. L. & I. g. con. R.R.&l.gr. 5's	1931	36,799,000	A & O	112¾	Feb. 29,'04	113½	112¼	206,000
" stamped gtd gold 5's	1931	6,532,000	A & O	109¾	Oct. 21,'03	....	....	....
" unify'g & rfd'g g. 4's	1929	27,457,000	J & J	85⅞	Feb. 29,'04	85⅞	84¼	188,000
" registered			J & J	....	....	....	....	....
" riv & gulf divs 1st g 4s	1933	12,242,000	M & N	91⅛	Dec. 10,'03	....	....	....
" registered			M & N	....	....	....	....	....
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S	....	....	....	....	....
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	109	Aug. 31,'19	....	....	....
" small		226,000	J & J	90	Feb. 4,'03	....	....	....
" mtg. g. 4's	1945	700,000	J & J	91	Feb. 25,'04	91	91	5,000
" small		500,000	......	....	....	....	....	....
Mob. Jackson&Kan.City 1stg.5's	1946	1,882,000	J & D	102	July 25,'02	....	....	....
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	123¾	Dec. 31,'03	....	....	....
" 1st extension 6's	1927	974,000	J & D	120	Jan. 11,'04	....	....	....
" gen. g. 4's	1938	9,472,000	Q J	94	Feb. 24,'04	94	94	1,000
" Montg'ry div. 1st g. 5's	1947	4,000,000	F & A	114	Jan. 18,'04	....	....	....
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	93	Feb. 3,'03	....	....	....
" collateral g. 4's	1930	2,494,000	Q F	89	Dec. 24,'03	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	120	Feb. 16,'04	120	120	1,000
" 1st cons. g. 5's	1928	7,566,000	A & O	112¾	Feb. 23,'04	113	112¾	2,000
" 1st g. 6's Jasper Branch	1923	371,000	J & J	123	Mar. 28,'01	....	....	....
" 1st 6's McM. M.W. & Al.	1917	750,000	J & J	116	July 31,'02	....	....	....
" 1st 6's T. & Pb.	1917	300,000	J & J	110	Dec. 20,'99	....	....	....
Nat.R.R.of Mex.priorlieng.4½'s	1926	20,000,000	J & J	101	Feb. 24,'04	101	100	2,000
" 1st con. g. 4's	1951	22,000,000	A & O	73¾	Feb. 19,'04	76¾	73	30,000
N. O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108½	Aug. 13,'94	....	....	....

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N.Y. Cent. & Hud. R. g. mtg. 3½s.	1997	70,357,000	J & J	97	Feb. 29,'04	96⅝	96¼	268,000
" " registered			J & J	98	Jan. 27,'04			
" debenture 5's	1884-1904	4,480,000	M & S	102⅝	Feb. 2,'04	102⅝	102⅝	1,000
debenture 5's reg.			M & S	101¼	Nov. 25,'03			
" reg. deben. 5's	1889-1904	639,000	M & S	103⅛	Apr. 30,'01			
" debenture g. 4's	1890-1905	5,094,000	J & D	100	Jan. 14,'04			
" registered			J & D	99	Dec. 12,'02			
" deb. cert. ext. g. 4's	1905	3,581,000	M & N	100⅝	Feb. 29,'04	100⅝	100⅝	10,000
" registered			M & N	99½	Nov. 3,'02			
Lake Shore col. g. 3½s	1998	90,578,000	F & A	86½	Feb. 24,'04	88	86	81,000
" registered			F & A	86	Jan 20,'04			
Michigan Central col. g. 3½s	1998	19,336,000	F & A	87½	Feb. 23,'04	87½	87	6,000
" registered			F & A	91	Jan. 17,'03			
Beech Creek 1st. gtd. 4's	1936	5,000,000	J & J	105	Jan. 8,'04			
" registered			J & J	103½	Nov. 14,'03			
" 2d gtd. g. 5's	1936	500,000	J & J					
" registered			J & J					
" ext. 1st. gtd. g. 3½'s	1951	3,500,000	A & O					
" registered			A & O					
Carthage & Adiron. 1st gtd g. 4's	1981	1,100,000	J & D					
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A.	1940	716,000	J & J	95	Apr. 3,'02			
" small bonds series B		33,000	J & J					
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D					
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	107½	July 6,19'			
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	105	Oct. 10,'02			
" reg. certificates			F & A					
N.Y. & Putnam 1st con. gtd g. 4's	1993	4,000,000	A & O	105½	Nov. 15,'96			
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O					
West Shore 1st guaranteed 4's	2361	50,000,000	J & J	108¼	Feb. 25,'04	109	108¼	42,000
" registered			J & J	107	Feb. 29,'04	108⅝	107	41,500
Lake Shore g 3½s	1997			100	Feb. 29,'04	100⅝	100	30,000
" registered		50,000,000	J & D	99⅝	Dec. 9,'03			
" deb. g. 4's	1928	40,000,000	M & S					
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	114	Feb. 6,'02			
Kal., A. & G. R. 1st gtd c. 5's	1938	840,000	J & J					
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	121	Nov. 21,'03			
Pitt McK'port & Y. 1st gtd 6's	1932	2,250,000	J & J	139	Jan. 21,'03			
" 2d gtd 6's	1934	900,000	J & J					
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J					
Michigan Cent. 6's	1909	1,500,000	M & S	112¼	Jan. 18,'04			
" 5's	1931	3,576,000	M & S	122	Jan. 16,'04			
" 5's reg	1931		Q M	127	June 19,'02			
" 4's	1940	2,600,000	J & J	110	Dec. 7,'01			
" 4's reg			J & J	106½	Nov. 26,19'			
" g. 3½'s sec. by 1st mge. on J. L. & S.		1,900,000	M & S					
" 1st g. 3½'s	1952	12,000,000	M & N	99½	Oct. 26,'03			
Battle C. Sturgis 1st g. g. 3's	1989	476,000	J & D					
N. Y. & Harlem 1st mort. 7's c.	1900	12,000,000	M & N	100	Sept. 24,19'			
" 7's registered	1900		M & N	102¾	Apr. 6,19'			
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	115	Oct. 15,'03			
R. W. & Og. con. 1st ext. 5's	1922	2,081,000	A & O	117½	Feb. 23,'04	117½	117½	5,000
coup. g. bond currency			A & O					
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	113¾	Jan. 25,'02			
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N					
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	104	Feb. 9,'04	104	104	1,000
N.Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	104	Feb. 29,'04	104	103¾	48,000
" registered			A & O	106	May 14,'03			
N. Y., N. Haven & Hartford.								
Housatonic R. con. g. 5's	1937	2,838,000	M & N	131¾	Apr. 29,'03			
New Haven and Derby con. 5's	1918	575,000	M & N	115½	Oct. 15,'94			
N. Y. & New England 1st 7's	1905	6,000,000	J & J	106¼	May 14,'03			
" 1st 6's	1905	4,000,000	J & J	101	Sept. 8,'03			
N.Y., Ont. & W'n. ref'ding 1st g. 4's	1992	16,937,000	M & S	103½	Feb. 25,'04	103½	102¼	33,000
" registered ...... $5,000 only.			M & S	100	Dec. 7,'03			
Norfolk & Southern 1st g. 5's	1941	1,590,000	M & N	111½	Feb. 23,'03	111½	111	5,000
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	132	Sept. 2,'03			
" imp'ment and ext. 6's	1934	5,000,000	F & A	127	Nov. 28,'03			
" New River 1st 6's	1932	2,000,000	A & O	127	Nov. 19,'03			

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Norfolk & West. Ry 1st con. g. 4s.1996		A & O	97½	Feb. 29, '04	98	97¼	235,500
" registered	38,710,500	A & O	96½	Sept.22,'03	....	....	....
" small bonds		A & O	....	....	....	....	....
" Pocahon C.&C.Co.jt.4's.1941	20,000,000	J & D	88½	Feb. 25,'04	90¼	87½	38,000
" C. C. & T. 1st g. t. g g 5's1922	600,000	J & J	107½	July 1,'01	....	....	....
" Sci'o Val & N.E.1st g.4's,1989	5,000,000	J & N	99¾	Feb. 29,'04	100	99¼	26,000
N. P. Ry prior ln ry.&ld.gt.g.4's..1997	101,392,500	Q J	102¾	Feb. 29,'04	103⅜	102	405,000
" registered		Q J	101¾	Dec. 28,'03	....	....	....
" gen. lien g. 3's........2047	56,000,000	Q F	70⅝	Feb. 29,'04	72¼	70¼	225,000
" registered		Q F	70¼	Feb. 10,'04	70¼	70¼	2,000
St. Paul & Duluth div. g. 4's...1996	7,897,000	J & D	97⅝	Jan. 11,'04	....	....	....
" registered		J & D	....	....	....	....	....
St. Paul & N. Pacific gen g. 6's.1923	7,985,000	F & A	122	Oct. 17,'03	....	....	....
" registered certificates		Q F	132	July 28,'98	....	....	....
St. Paul & Duluth 1st 5's.......1931	1,000,000	F & A	112¼	July 21,'03	....	....	....
" 2d 5's.........1917	2,000,000	A & O	108¼	Jan. 29,'04	....	....	....
" 1st con. g. 4's.........1968	1,000,000	J & D	98	Nov. 27,'03	....	....	....
Washington Cen. Ry 1st g. 4's..1948	1,538,000	QMCH	94½	Feb. 19,'01	....	....	....
Nor. Pacific Term. Co. 1st g. 6's..1933	3,641,000	J & J	113	Feb. 19,'04	113	111	6,000
Ohio River Railroad 1st 5's.......1936	2,000,000	J & D	114½	May 4,'02	....	....	....
" gen. mortg. g 6's........1937	2,428,000	A & O	108½	July 29,'02	....	....	....
Pacific Coast Co. 1st g. 5's........1946	4,446,000	J & D	106¼	Feb. 27,'04	107¼	106¼	7,000
Panama 1st sink fund g. 4½'s....1917	2,246,000	A & O	102	Apr. 21,'03	....	....	....
" s. f. subsidy g 6's........1910	887,000	M & N	102	Apr. 14,'02	....	....	....
Pennsylvania Railroad Co.							
Penn. Co.'s gtd. 4½'s, 1st.......1921	19,467,000	J & J	108½	Feb. 16,'04	108⅝	108½	16,000
" reg.........1921		J & J	106	Mar. 26, '03	....	....	....
" gtd.3½ col.tr.reg. cts..1937	4,895,000	M & S	96	Feb. 8,'04	96	96	10,000
" gtd.3½ col.tr.cts.serB 1941	9,794,000	F & A	92¼	Dec. 28,'03	....	....	....
" Trust Co. ctfs. g. 3½'s. 1916	17,332,000	M & N	195	July 16,'03	....	....	....
Chic., St. Louis & P. 1st c. 5's..1932	1,506,000	A & O	118	Dec. 21,'03	....	....	....
" registered	....	A & O	110	May 3,'92	....	....	....
Cin., Leb. & N. 1st con.gtd.g.4's.1942	900,000	J & J	....	....	....	....	....
Clev.&P.gen.gtd.g.4½'s Ser. A.1942	3,000,000	J & J	108¼	Aug.21,'03	....	....	....
" Series B.........1942	1,561,000	A & O	....	....	....	....	....
" " int. reduc. 3½ p.c.	439,000	......	....	....	....	....	....
" Series C 3½s.........1948	3,000,000	M & N	....	....	....	....	....
" Series D 3½s.........1950	1,933,000	F & A	96	Jan. 8,'04	....	....	....
E.&Pitts. gen.gtd.g.3½s Ser.B..1940	2,250,000	J & J	102	Nov. 7,19'	....	....	....
" " " C..1940	1,508,000	J & J	....	....	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's..1945	1,400,000	J & J	....	....	....	....	....
Pitts., C. C. & St. L. con. g 4½'s..							
" Series A.........1940	10,000,000	A & O	109⅞	Jan. 27,'04	....	....	....
" Series B gtd.........1942	8,786,000	A & O	111½	Jan. 26,'04	....	....	....
" Series C gtd.........1942	1,379,000	M & N	116½	Feb. 14,'01	....	....	....
" Series D gtd. 4's......1945	4,983,000	M & N	101½	Jan. 22,'04	....	....	....
" Series E gtd. g. 3½s...1949	10,421,000	F & A	92	Feb. 13,'04	92	91	2,000
Pitts., Ft. Wayne & C. 1st 7's..1912	2,219,000	J & J	127⅝	Oct. 21,'02	....	....	....
" 2d 7's.........1912	1,918,000	J & J	119¾	Sept. 9,'03	....	....	....
" 3d 7's.........1912	2,000,000	A & O	120	Mar. 16,'03	....	....	....
Tol Walhonding Vy.&O.1st gtd.bds	3,280,000	J & D					
4½'s series A.........1931	1,500,000	J & J	....	....	....	....	....
" 4½'s series B.........1933	978,000	J & J	....	....	....	....	....
" 4's series C.........1942	1,453,000	M & S	....	....	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's...1923	1,675,000	M & N	105½	Feb. 15,'04	105½	104½	26,000
con. sterling gold 6 per cent...1905	22,762,000	J & J	....	....	....	....	....
con. currency, 6's registered...1905	4,718,000	Q M 15	....	....	....	....	....
con. gold 5 per cent.........1919	4,998,000	M & S	114	Dec. 15,'03	....	....	....
" registered		Q M	....	....	....	....	....
con. gold 4 per cent.........1943	3,825,000	M & N	106	Aug.28,'03	....	....	....
" ten year conv. 3½'s..1912	20,697,500	M & N	94⅞	Feb. 25,'04	97	94½	348,500
Allegh. Valley gen. gtd. g. 4's...1942	5,389,000	M & S	110	Aug.28,19'	....	....	....
Belvedere Del. con. gtd. 3½'s..1943	1,000,000	J & J	....	....	....	....	....
Clev. & Mar. 1st gtd g. 4½'s.....1935	1,250,000	M & N	112¾	Mar. 7,19'	....	....	....
Del.R. RR.& BgeCo 1stgtdg.4's,1936	1,300,000	F & A	....	....	....	....	....
G.R. & Ind. Ex. 1st gtd. g 4½'s .1941	4,455,000	J & J	111	Dec. 10,'03	....	....	....
Sunbury & Lewistown 1stg.4's.1936	500,000	J & J	....	....	....	....	....
U'd N. J. RR. & Can Co. g 4's...1944	5,646,000	M & S	117	May 1,19'	....	....	....
Peoria & Pekin Union 1st 6's....1921	1,495,000	Q F	123½	Jan. 18,'04	....	....	....
" 2d m 4½'s.........1921	1,499,000	M & N	95	June16,'03	....	....	....
Pere Marquette.							
Chic. & West Mich. Ry. 5's.......1921	5,753,000	J & D	109	Apr. 28,'02	....	....	....
Flint & Pere Marquette g. 6's..1920	3,999,000	A & O	118½	Jan. 8,'04	....	....	....
" 1st con. gold 5's.......1939	2,850,000	M & N	108¼	Feb. 13,'04	108¼	107¾	25,000
" Port Huron d 1st g 5's.1939	3,325,000	A & O	110½	Feb. 19,'04	110½	110½	1,000
Sag'w Tusc. & Hur.1st gtd.g.4's.1931	1,000,000	F & A	....	....	....	....	....
Pine Creek Railway 6's.........1932	3,500,000	J & D	137	Nov. 17,'93	....	....	....

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Pittsburg. Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A,	1928	2,000,000	A & O	112½	Dec. 13,'93	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's,	1940	3,000,000	A & O	117¼	July 7,'03	....	....	....
• 1st cons. 5's	1943	408,000	J & J	87¾	Jan. 12,19'	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's,	1927	1,562,000	M & N	120½	Dec. 8,'02	....	....	....
Reading Co. gen. g. 4's	1997	66,026,000	J & J	95⅝	Feb. 29,'04	96¾	95⅝	390,000
• registered			J & J	96⅛	July 2,'03	....	....	....
• Jersey Cent. col. g. 4's	1957	23,000,000	......	93⅝	Feb. 15,'04	93⅞	93¼	2,000
• • registered		....	......	....		....	....	....
Atlantic City 1st con. gtd. g. 4's.	1951	1,063,000	M & N	....		....	....	....
Rio Grande Junc'n 1st gtd. g. 5's,	1939	1,850,000	J & D	105	Dec. 19,'03	....	....	....
Rio Grande Southern 1st g. 4's	1940	2,233,000	J & J	75	Aug. 8,'03	....	....	....
• guaranteed		2,277,000	......	94¼	Nov. 15,'02	....	....	....
Rutland RR 1st con. g. 4½ s	1941	2,440,000	J & J	....		....	....	....
Ogdnsb. & L. Ch'n. Ry. 1st gtd g 4s	1948	4,400,000	J & J	....		....	....	....
Rutland Canadian 1st gtd. g. 4's.	1949	1,350,000	J & J	101¼	Nov. 18,'01	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.342	1947	3,500,000	J & J	87	Dec. 21,'03	....	....	....
St. L. & Adirondack Ry. 1st g. 5's.	1996	800,000	J & J	....		....	....	....
• 2d g. 6's	1996	400,000	A & O	....		....	....	....
St. Louis & San F. 2d 6's, Class B,	1906	998,000	M & N	105	Feb. 6,'04	105	105	14,000
• 2d g. 6's, Class C	1906	829,000	M & N	104½	Dec. 22,'03	....	....	....
• gen. g. 6's	1931	3,681,000	J & J	124½	Feb. 2,'04	124½	124½	1,000
• gen. g. 5's	1931	5,803,000	J & J	110	Feb. 26,'04	110¾	110	26,000
St. L & San F. R. R. con. g. 4's.	1996	1,558,000	J & D	98	Dec. 16,'03	....	....	....
• S. W. div. g. 5's	1947	829,000	A & O	100	Jan. 21,'04	..	....	....
• refunding g. 4's	1951	55,845,000	J & J	80¼	Feb. 29,'04	83⅛	79½	344,000
• • registered			J & J	....		....	....	....
Kan. Cy Ft. S. & Mem RR con g 6's	1928	13,736,000	M & N	119⅛	Feb. 4,'04	119⅛	119⅛	3,000
Kan. Cy Ft. S & M Ry ref g gtd g 4s.	1936	14,983,000	A & O	79¼	Feb. 27,'04	80⅛	79	498,000
• registered			A & O	78⅛	Jan. 14,'04	....	....	....
Kan. Cy & M. R. & B. Co. 1st gtd g 5s.	1929	3,000,000	A & O	....		....	....	....
St. Louis S. W. 1st g. 4's Bd. ctfs.,	1989	20,000,000	M & N	93⅝	Feb. 27,'04	94	92⅝	124,000
• 2d g. 4's inc. Bd. ctfs.	1989	8,272,500	J & J	74	Feb. 11,'04	76	74	37,000
• con. g. 4's	1932	12,054,000	J & D	70⅛	Feb. 29,'04	73⅝	70	494,000
Gray's Point, Term. 1st gtd. g. 5's.	1947	339,000	J & D	....		....	....	....
St. Paul, Minn. & Manito'a 2d 6's.	1909	7,197,000	A & O	110⅛	Feb. 26,'04	110⅛	110⅛	2,000
• 1st con. 6's	1933	13,344,000	J & J	131	Feb. 27,'04	131	130⅝	11,000
• 1st con. 6's, registered			J & J	140	May 14,'02	....	....	....
• 1st c. 6's, red'd to g. 4½'s		19,408,000	J & J	107½	Feb. 29,'04	107½	107½	13,000
• 1st cons. 6's register'd			J & J	115¼	Apr. 15,'01	....	....	....
• Dakota ext'n g. 6's	1910	5,465,000	M & N	111	Nov. 25,'03	....	....	....
• Mont. ext'n 1st g. 4's	1937	10,185,000	J & D	101	Feb. 23,'04	101¼	101	39,000
• registered			J & D	106	May 6,'01	....	....	....
Eastern R'y Minn, 1st d. 1st g. 5's	1908	4,700,000	A & O	104	Aug. 15,'03	....	....	....
• registered			A & O	....		....	....	....
• Minn. N. div. 1st g. 4's	1940	5,000,000	A & O	....		....	....	....
• registered			A & O	....		....	....	....
Minneapolis Union 1st g. 6's	1922	2,150,000	J & J	128	Apr. 4,19'	....	....	....
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	116	Dec. 7,'03	....	....	....
• 1st 6's, registered			J & J	115	Apr. 24,'97	....	....	....
• 1st g. g. 5's	1937	4,000,000	J & J	121	Dec. 31,'03	....	....	....
• registered			J & J	....		....	....	....
Willmar & Sioux Falls 1st g. 5's,	1938	3,625,000	J & D	117	Jan. 11,'04	....	....	....
• registered			J & D	....		....	....	....
Salt Lake City 1st g. s. f. 6's	1913	297,000	J & J	....		....	....	....
San Fe Pres. & Phoe. Ry. 1st g. 5's,	1942	4,940,000	M & S	110	Jan. 7,'04	....	....	....
San Fran. & N. Pac. 1st s. f. g. 5's,	1919	3,872,000	J & J	113¾	Dec. 11,'01	....	....	....
Seaboard Air Line Ry g. 4's	1950	12,775,000	A & O	65⅞	Feb. 24,'04	68¾	65⅞	88,000
• registered			A & O	....		....	....	....
• col. trust refdg g. 5's	1911	10,000,000	M & N	97	Feb. 9,'04	97	96¼	15,000
Carolina Central 1st con. g. 4's.	1949	2,847,000	J & J	90	Oct. 7,'03	....	....	....
Fla Cent. & Peninsular 1st g. 5's.	1918	3,000,000	J & J	100	Sept. 6,'99	....	....	....
• 1st land grant ext g. 5's.	1930	410,000	J & J	....		....	....	....
• cons. g. 5's	1943	4,370,000	J & J	106½	Feb. 26,'02	....	....	....
Georgia & Alabama 1st con. 5's.	1945	2,922,000	J & J	105½	Feb. 25,'04	105½	105½	1,000
Ga. Car. & Nthern 1st gtd g. 5's.	1929	5,360,000	J & J	107	Dec. 15,'03	....	....	....
Seaboard & Roanoke 1st 5's	1926	2,500,000	J & J	....		....	....	....

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Sodus Bay & Sout'n 1st 5's, gold, 1924	500,000	J & J	102	Jan. 20,'03	....	....	....
Southern Pacific Co.							
" 2-5 year col. trust g. 4½'s.1905	30,000,000	J & D	99	Feb. 29,'04	99¼	98⅝	246,000
" g. 4's Central Pac. coll..1949	28,818,500	J & D	88⅛	Feb. 29,'04	89½	87½	139,000
" " registered......		J & D	87	Jan. 20,'04	....	....	....
Austin & Northw'n 1st g. 5's...1941	1,920,000	J & J	97	Feb. 26,'04	97	97	2,000
Cent. Pac. 1st refud. gtd.g. 4's..1949	64,781,000	F & A	97¾	Feb. 29,'04	98⅞	97⅛	107,500
" registered..................		F & A	99¼	Mar. 5,'93	....	....	....
" mtge. gtd. g. 3½'s...1929	18,069,500	J & D	84	Feb. 25,'04	85⅛	81	8,500
" " registered		J & D	....	....	....	....	....
Gal. Harrisb'gh & S.A. 1st g 6's..1910	4,756,000	F & A	110¼	Feb. 27,'03	....	....	....
" 2d g 7's..................1905	1,000,000	J & D	102	Feb. 2,'04	102	102	2,000
" Mex. & P. div 1st g 5's.1931	13,418,000	M & N	107	Jan. 21,'04	....	....	....
Gila Val.G.& N'n 1st gtd g 5's.1924	1,514,000	M & N	105¼	Feb. 1,'04	105¼	105¼	3,000
Houst. E. & W. Tex. 1st g. 5's..1933	561,000	M & N	105	Dec. 18,'03	....	....	....
" 1st gtd. g. 5's..........1933	2,199,000	M & N	103	Nov. 6,'02	....	....	....
Houst. & T.C. 1st g 5's int. gtd..1937	5,438,000	J & J	111	Feb. 27,'04	112	111	6,000
" con. g 6's int. gtd......1912	2,616,000	A & O	112¾	Dec. 31,'03	....	....	....
" gen. g 4's int. gtd......1921	4,287,000	A & O	92	Feb. 9,'04	92¼	92	3,000
" W&Nwn.div.1st.g.6's.1930	1,105,000	M & N	127⅛	Feb. 27,'02	....	....	....
Morgan's La & Tex. 1st g 6's....1920	1,494,000	J & J	122	Sept.15,'02	....	....	....
" 1st 7's..................1918	5,000,000	A & O	130	Nov.19,'02	....	....	....
N. Y. Tex. & Mex. gtd. 1st g 4's..1912	1,465,000	A & O	....	....	....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's.1907	3,964,000	J & J	102	July 30,'03	....	....	....
" gtd. g. 5's..................	4,751,000	A & O	113	Jan. 4,'01	....	....	....
Oreg. & Cal. 1st gtd. g 5's........1927	18,831,000	J & J	100	Jan. 8,'04	....	....	....
San Ant.&Aran Pass1st gtd g 4's.1943	18,900,000	J & J	78	Feb. 26,'04	80⅝	78	59,000
South'n Pac. of Ariz. 1st 6's.....1909	6,000,000	J & J	105¼	Jan. 30,'04	....	....	....
" " " 1910	4,000,000	J & J	106	Jan. 15,'04	....	....	....
" of Cal. 1st g 6's ser. A.1905	29,187,500	A & O	101⅞	Dec. 15,'03	....	....	....
" " " ser. B.1905		A & O	102	Oct. 22,'03	....	....	....
" " " C. & D.1906		A & O	106½	May 15,'03	....	....	....
" " " E. & F.1902		A & O	108	Nov. 2,'03	....	....	....
" " " 1912	....	A & O	119	Mar. 17,'03	....	....	....
" 1st con. gtd. g 5's...1937	6,809,000	M & N	119	Feb. 2,'04	119	119	1,000
" stamped........1905-1937	21,546,000	......	107	Jan. 6,'04	....	....	....
So. Pacific Coast 1st gtd. g. 4's.1937	5,500,000	J & J	....	....	....	....	....
" of N. Mex. c. 1st 6's.1911	4,180,000	J & J	108¾	Feb. 19,'04	108¾	108¾	1,000
Tex. & New Orleans 1st 7's......1905	862,000	F & A	101	Feb. 5,'04	101	101	1,000
" Sabine div. 1st g 6's...1912	2,575,000	M & S	111½	Oct. 30,'02	....	....	....
" con. g 5's..............1943	1,620,000	J & J	103	Jan. 29,'04	....	....	....
Southern Railway 1st con. g 5's.1994	39,208,000	J & J	111⅝	Feb. 29,'04	113¼	111	274,000
" registered..................		J & J	110	Feb. 29,'04	110	108	2,000
Mob. & Ohio collat. trust g. 4's.1938	7,999,000	M & S	95	Feb. 25,'04	95¼	95	6,000
" registered................		M & S	....	....	....	....	....
" Memph.div.1st g.4-4½-5's.1996	5,183,000	J & J	113	Dec. 18,'03	....	....	....
" registered..................		J & J	....	....	....	....	....
" St. Louis div. 1st g. 4's...1951	11,250,000	J & J	94	Feb. 10,'04	95	94	6,000
" " registered.........		J & J	....	....	....	....	....
Alabama Central, 1st 6's.......1918	1,000,000	J & J	120	Mar. 25,'01	....	....	....
Atlantic & Danville 1st g. 4's..1948	3,925,000	J & J	91⅛	Feb. 26,'04	92	91¼	9,000
Atlantic & Yadkin, 1st gtd g 4s.1949	1,500,000	A & O	....	....	....	....	....
Col. & Greenville, 1st 5-6's.....1916	2,000,000	J & J	116	Oct. 20,'03	....	....	....
East Tenn., Va. & Ga. div.g.5's.1930	3,106,000	J & J	113¼	Jan. 28,'04	....	....	....
" con. 1st g 5's...........1956	12,770,000	M & N	117½	Feb. 24,'04	118¾	117½	15,000
" reorg. lien g 4's.......1938	4,500,000	M & S	110½	Feb. 20,'04	110½	110½	4,000
" registered................		M & S	....	....	....	....	....
Ga. Pacific Ry. 1st g 5-6's......1922	5,660,000	J & J	118¾	Jan. 7,'04	....	....	....
Knoxville & Ohio, 1st g 6's.....1925	2,000,000	J & J	120	Jan. 7,'04	....	....	....
Rich. & Danville, con. g 6's....1915	5,597,000	J & J	118	Dec. 19,'03	....	....	....
" deb. 5's stamped......1927	3,368,000	A & O	108½	Dec. 28,'03	....	....	....
Rich. & Mecklenburg 1st g. 4's.1948	315,000	M & N	92	Sept. 9,'02	....	....	....
South Caro'a & Ga. 1st g. 5's....1919	5,250,000	M & S	103¾	Feb. 26,'04	104⅛	103¾	9,000
Vir. Midland serial ser. A 6's..1906	600,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. B 6's.............1911	1,900,000	M & S	112½	Jan. 6,'03	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. C 6's.............1916	1,100,000	M & S	123	Feb. 8,'02	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. D 4-5's...........1921	950,000	M & S	112	Feb. 18,'03	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. E 5's.............1926	1,775,000	M & S	109½	Jan. 22,'04	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. F 5's.............1931	1,310,000	M & S	108	Nov. 9,'03	....	....	....
Virginia Midland gen. 5's......1936	2,392,000	M & N	112	Feb. 10,'04	112	111½	13,000
" gen. 5's. gtd. stamped.1926	2,466,000	M & N	113⅛	May 14,'03	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	February Sales. High.	February Sales. Low.	February Sales. Total.
W. O. & W. 1st cy. gtd. 4's	1924	1,025,000	F & A	93	Dec. 31,'03	....	....	....
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	113	Feb. 25,'04	113	112⅛	5,000
Spokane Falls & North. 1st g. 6's	1939	2,812,000	J & J	117	July 25,19'	....	....	....
Staten Isl. Ry. N.Y. 1st gtd. g. 4½'s	1943	500,000	J & D	104½	Sept. 2,'02	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s	1939	7,000,000	A & O	114½	Dec. 1,'03	....	....	....
" 1st con. g. 5's	1894–1944	5,000,000	F & A	112¼	Feb. 27,'04	113	112¼	3,000
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	107¾	Dec. 31,'03	....	....	....
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th	1905	2,815,000	M & S	100	Sept. 30,'03	....	....	....
" 1st gold 5's	2000	22,120,000	J & D	115⅛	Feb. 27,'04	116⅝	115	49,000
" 2d gold income, 5's	2000	963,000	MAR.	85	Feb. 29,'04	90	85	21,000
" La. Div. B.L. 1st g. 5's	1931	3,348,000	J & J	108	Feb. 11,'04	108	108	10,000
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	112¼	Jan. 22,'04	....	....	....
" 1st M. g 5's West. div.	1935	2,500,000	A & O	111	Sept. 8,'03	....	....	....
" gen. g. 5's	1935	2,000,000	J & D	105¾	Jan. 19,'04	....	....	....
" Kanaw & M. 1st g. g. 4's	1990	2,469,000	A & O	91¾	Feb. 25,'04	92⅛	91¾	7,000
Toledo, Peoria & W. 1st g 4's	1917	4,900,000	J & D	88	Feb. 29,'04	88	87¾	3,000
Tol., St. L. & Wn. prior lien g 3½'s	1925	9,000,000	J & J	81⅛	Feb. 29,'04	83	81	37,000
" registered			J & J	....		....	....	....
" fifty years g. 4's	1925	6,500,000	A & O	69	Feb. 29,'04	71⅝	69	72,000
" registered			A & O	....		....	....	....
Toronto, Hamilton & Buff 1st g 4s	1946	3,280,000	J & D	98	Apr. 29,'03	....	....	....
Ulster & Delaware 1st c. g 5's	1925	1,852,000	J & D	106¼	Feb. 3,'04	106⅛	106¼	6,000
Union Pacific R. R. & ld gt g 4s	1947	100,000,000	J & J	102⅝	Feb. 29,'04	103⅛	102⅜	496,500
" registered			J & J	102⅜	Feb. 3,'04	102⅜	102⅜	3,000
" 1st lien con. g. 4's	1911	87,257,000	M & N	94⅝	Feb. 29,'04	97½	94½	1,812,000
" registered			M & N	96¾	Jan. 27,'04	....	....	....
Oreg. R. R. & Nav. Co. con. g 4's	1946	21,482,000	J & D	99	Feb. 29,'04	100⅛	98½	82,000
Oreg. Short Line Ry. 1st g. 6's	1922	18,651,000	F & A	120½	Feb. 26,'04	122	120¼	25,000
" 1st con. g. 5's	1946	12,328,000	J & J	113	Feb. 19,'04	113¼	113	18,000
" 4's & participat'g g. bds.	1927	41,000,000	F & A	91	Feb. 29,'04	93	90¾	427,000
" registered			F & A	....		....	....	....
Utah & Northern 1st 7's	1908	4,993,000	J & J	112	Dec. 30,'03	....	....	....
" g. 5's	1926	1,802,000	J & J	114½	Apr. 19,'02	....	....	....
Virginia & S'western 1st gtd. 5's	2003	2,000,000	J & J	104	Feb. 5,'04	104	104	5,000
Wabash R.R. Co., 1st gold 5's	1939	33,001,000	M & N	115¾	Feb. 31,'04	116	115½	97,000
" 2d mortgage gold 5's	1939	14,000,000	F & A	106⅛	Feb. 16,'04	107	106¼	38,000
" deben. mtg series A	1939	3,500,000	J & J	101½	Apr. 28,'03	....	....	....
" series B	1939	26,500,000	J & J	59⅛	Feb. 29,'04	66⅛	58⅝	3,015,000
" first lien eqpt. fd. g. 5's	1921	2,755,000	M & S	102	Jan. 13,'04	....	....	....
" 1st g. 5's Det. & Chi. ex.	1940	3,349,000	J & J	107	Jan. 14,'04	....	....	....
" Des Moines div. 1st g. 4s	1939	1,600,000	J & J	90	Feb. 20,'04	97	90	6,000
" Omaha div. 1st g. 3½s	1941	3,000,000	A & O	79⅞	Feb. 24,'04	79⅞	79⅞	4,500
" Tol. & Chic. div. 1st g. 4's	1941	3,000,000	M & S	98	Mar. 17,'02	....	....	....
St. L., K.C. & N. St. Chas. B. 1st 6's	1908	473,000	A & O	109½	Mar. 13,'03	....	....	....
Western N.Y. & Penn. 1st g. 5's	1937	9,990,000	J & J	115¼	Feb. 26,'04	115¼	115	4,000
" gen g. 3–4's	1943	9,789,000	A & O	95⅞	Oct. 27,'03	....	....	....
" inc. 5's	1943	10,000,000	Nov.	40	Mar. 21,'01	....	....	....
West Va. Cent'l & Pitts. 1st g. 6's	1911	3,250,000	J & J	122	Dec. 15,'03	....	....	....
Wheeling & Lake Erie 1st g. 5's	1926	2,000,000	A & O	112	Feb. 27,'04	113½	112	5,000
" Wheeling div. 1st g. 5's	1928	894,000	J & J	110¼	Nov. 10,'03	....	....	....
" exten. and imp. g. 5's	1930	343,000	F & A	110	Mar. 6,'03	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's	1949	11,618,000	M & S	88¾	Feb. 26,'04	90½	88¾	53,000
Wisconsin Cen. R'y 1st gen. g. 4s	1949	23,743,000	J & J	89	Feb. 26,'04	90	89	119,000
STREET RAILWAY BONDS.								
Brooklyn Rapid Transit g. 5's	1945	6,625,000	A & O	100	Feb. 18,'04	100	100	7,000
" City R. R. 1st c. 5's 1916.	1941	4,373,000	J & J	108½	Feb. 29,'04	108½	108½	1,000
" Qu. Co. & Sur. con. gtd. g. 5's	1941	2,255,000	M & N	100	Jan. 25,'04	....	....	....
" Union Elev. 1st. g. 4-5s	1950	16,000,000	F & A	101	Feb. 29,'04	101	100	193,000
" stamped guaranteed			......	100¾	July 15,'03	....	....	....
Kings Co. Elev. R. R. 1st g. 4's	1949	7,000,000	F & A	83	Feb. 29,'04	85	82	88,000
" stamped guaranteed			......	....		....	....	....
Nassau Electric R. R. gtd. g. 4's	1951	10,474,000	J & J	85½	Jan. 5,'03	....	....	....
City & Sub. R'y, Balt. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn. Ry. & Light g 1st & rfg. g 4½'s	1951	8,355,000	J & J	90	Oct. 31,'02	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O	97½	June 13,19'	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....		....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	913,000	J & J	....		....	....	....
Detroit Cit'ens St. Ry. 1st con. g. 5's	1905	5,485,000	J & J	103	Nov. 23,'01	....	....	....
Grand Rapids Ry 1st g. 5's	1916	2,750,000	J & D	....		....	....	....
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....		....	....	....
Metro. St. Ry N.Y. g. col. tr. g. 5's	1997	12,500,000	F & A	113½	Feb. 17,'04	113½	112½	33,000
" refunding 4's	2002	12,780,000	A & O	90	Feb. 17,'04	91½	90	7,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	FEBRUARY SALES. *High.*	FEBRUARY SALES. *Low.*	FEBRUARY SALES. *Total.*
B'way & 7th ave. 1st con. g. 5's, 1943	7,650,000	J & D	113	Feb. 26,'04	113⅛	113	15,000
" registered		J & D	119⅛	Dec. 3,19'	....	....	....
Columb. & 9th ave. 1st gtd g 5's, 1993	3,000,000	M & S	118½	Feb. 24,'04	118½	118½	1,000
" registered..................		M & S	....		....	....	....
Lex ave & Pav Fer 1st gtd g 5's, 1993	5,000,000	M & S	116¼	Jan. 8,'04	....	....	....
" registered..................		M & S	....		....	....	....
Third Ave. R.R. 1st c. gtd. g. 4's..2000	35,000,000	J & J	95	Feb. 29,'04	95	94⅛	72,000
" registered..................		J & J	....		....	....	....
Third Ave. R'y N.Y. 1st g 5's...1937	5,000,000	J & J	116¾	Feb. 26,'04	116¾	116¾	11,000
Met. West Side Elev. Chic. 1st g. 4's. 1938	9,808,000	F & A	94	Feb. 17,'04	95	94	12,000
" registered..................		F & A	....		....	....	....
Mil. Elec. R. & Light con. 30 yr. g. 5's. 1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's.........................1919	4,050,000	J & J	110	June 26,'01	....	....	....
St. Jos. Ry. Lig't, Heat & P. 1st g. 5's. 1937	3,500,000	M & N	....		....	....	....
St. Paul City Ry. Cable con. g. 5's. 1937	2,480,000	J&J15	109¼	Apr. 14,'03	....	....	....
" gtd. gold 5's 1937	1,138,000	J & J	112	Nov. 28,'99	....	....	....
Union Elevated (Chic.) 1st g. 5's. 1945	4,387,000	A & O	109⅛	Dec. 14,'99	....	....	....
United Railways of St. L. 1st g. 4's. 1934	28,292,000	J & J	84⅝	June 25,'03	....	....	....
United R. R. of San Fr. s. fd. 4's...1927	20,000,000	A & O	79⅛	Feb. 19,'04	79⅞	79	269,000
Weatherford, Mnpls. & Union Ry. 1st gtd 5's..........................1930	500,000	F & A	101	Feb. 4,'04	106⅛	101	15,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,969,000	M & N	....		....	....	....
" 40 years con. g. 5's......1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....

MISCELLANEOUS BONDS.

Adams Express Co. col. tr. g. 4's. 1948	12,000,000	M & S	102⅛	Feb. 13,'04	102¾	102⅛	3,500
Am. Steamship Co. of W. Va. g. 5's 1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn. Ferry Co. of N.Y. 1st c. g. 5's. 1948	6,500,000	F & A	64	Feb. 1,'04	64	64	5,000
Chic. Junc. & St'k Y'ds col. g. 5's. 1915	10,000,000	J & J	111	Sept. 30,'03	....	....	....
Der. Mac. & Ma. ld. gt. 3½'s sem. an. 1911	1,845,000	A & O	80	Feb. 26,'04	83	80	69,000
Hackensack Water Co. 1st 4's....1952	3,000,000	J & J	....		....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g. 5's....1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim. gen. g. 4's. 1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuilding & Dry Dock 5's............1890-1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...1951	11,580,000	F & A	90	Feb. 29,'04	91	90	39,000
" registered..................		F & A	....		....	....	....
St. Joseph Stock Yards 1st g. 4½'s 1930	1,250,000	J & J	....		....	....	....
St. Louis Terml. Cupples Station & Property Co. 1st g 4½'s 5-20..1917	3,000,000	J & D	....		....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	108	Nov. 28,'03	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	113⅛	Dec. 18,19'	....	....	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.							
Series D 4½'s..............1901-1916	1,000,000	J & J	....		....	....	....
" E 4's.................1907-1917	1,000,000	J & D	....		....	....	....
" F 4's.................1908-1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
" G 4's.................1903-1918	1,000,000	F & A	....		....	....	....
" H 4's.................1903-1918	1,000,000	M & N	....		....	....	....
" I 4's.................1904-1919	1,000,000	F & A	....		....	....	....
" J 4's.................1904-1919	1,000,000	M & N	....		....	....	....
" K 4's.................1905-1920	1,000,000	J & J	....		....	....	....
Small bonds..........................	....	......	....		....	....	....
INDUSTRIAL AND MFG. BONDS.							
Am. Cotton Oil deb. ext. 4½'s....1915	2,919,000	......	97	Feb. 3,'04	97	97	3,000
Am. Hide & Lea. Co. 1st s. f. 6's...1919	7,863,000	M & S	81	Feb. 29,'04	81	80	35,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	1,750,000	M & S	86½	Feb. 16,'04	86½	86¼	6,000
Am. Thread Co., 1st coll. trust 4's. 1919	6,000,000	J & J	74	Jan. 18,'04	....	....	....
Barney & Smith Car Co. 1st g. 6's. 1942	1,000,000	J & J	105	Jan. 10,19'	....	....	....
Consol. Tobacco Co. 50 year g. 4's. 1951	157,378,200	F & A	55⅞	Feb. 29,'04	57¼	53¾	1,820,000
" registered..................		F & A	51½	Aug. 5,'03	....	....	....
Dis. Secur. Cor. con. 1st g. 5's....1927	13,379,000	A & O	65	Feb. 26,'04	66½	64⅛	150,000
Dis. Co. of Am. coll. trust g 5's..1911	2,580,000	J & J	99	Sept. 16,'03	....	....	....
Illinois Steel Co. debenture 5's...1910	1,400,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	92	Feb. 23,'04	92	92	1,000
Internat'l Paper Co. 1st con. g 6's. 1918	9,700,000	F & A	106	Feb. 24,'04	106	105¾	14,000
Int. Steam Pump 10 year deb. 6's. 1913	2,500,000	J & J	97	Feb. 8,'04	99	97	23,000
Knick'r'ker Ice Co. (Chic) 1st g 5's. 1928	1,937,000	A & O	93	Feb. 24,'03	....	....	....
Lack. Steel Co., 1st con. g. 5's....1923	15,000,000	A & O	93¼	Feb. 19,'04	93⅝	93	51,000
Nat. Starch Mfg. Co., 1st g 6's...1920	2,924,000	J & J	90⅞	Dec. 21,'03	....	....	....
Nat. Starch. Co's fd. deb. g. 5's..1925	4,137,000	J & J	66	Feb. 29,'04	66	65⅛	6,000
Standard Rope & Twine 1st g. 6's. 1946	2,740,000	F & A	39	Feb. 23,'04	43	38	15,000
Standard Rope & Twine inc. g. 5s,. 1946	7,500,000	......	2¾	Feb. 26,'04	3⅞	2	47,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

Name.	Principal Due.	Amount.	Int't paid.	Last Sale. Price.	Last Sale. Date.	February Sales. High.	February Sales. Low.	February Sales. Total.
United Fruit Co., con. 5's	1911	3,794,000	M & S	....	....	....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's	1918	2,000,000	J & J	....	....	....	....	....
U. S. Leather Co. 6% g s. fd deb.	1915	5,280,000	M & N	109	Feb. 24,'04	110	108	18,000
U. S. Reduction & Refin. Co. 6's	1931	....	......	79	Aug. 12,'03	....	....	....
U. S. Shipbldg. 1st & fd g. 5's Ser. A.	1932	14,500,000	J & J	28	Feb. 5,'04	28	28	40,000
" collat. and mge. 5's	1932	10,000,000	F & A	91	Jan. 15,'03	....	....	....
U. S. Steel Corp. 10-60 yr. g. sk. fd 5's	1963	....	M & N	72⅜	Feb. 29,'04	73⅜	71⅛	9,212,500
" " " reg.	1963	152,902,000	M & N	72¾	Feb. 29,'04	73¾	71	18,000
BONDS OF COAL AND IRON COS.								
Col. Fuel & Iron Co. g. s. fd. g 5's	1943	5,355,000	F & A	96½	Feb. 27,'04	96¾	95½	22,000
" conv. deb. g. 5's	1911	1,941,000	F & A	73	Feb. 24,'04	79	70½	86,000
" " registered			F & A	....	....	....	....	....
" " Trust Co. certfs		12,127,000	......	72¼	Feb. 5,'04	72¼	71⅛	36,000
Col. C'l & I'n Dev. Co. gtd g. 5's	1909	700,000	J & J	55	Nov. 2,19'	....	....	....
" Coupons off		....				....	....	....
Colo. Fuel Co. gen. g. 6's	1919	610,000	M & N	105	Feb. 26,'04	105	105	1,000
Grand Riv. C'l & C'ke 1st g. 6's	1919	949,000	A & O	115	June 3,'02	....	....	....
Continental Coal 1st s. f. gtd. 5's	1952	2,750,000	F & A	....	....	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's	1926	1,588,000	J & D	105⅛	Oct. 10,'98	....	....	....
" 2d g. 5 s	1926	1,000,000	J & D	102½	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal & Coke 1st g. 5's	1951	3,000,000	J & J	105	Oct. 24,19'	....	....	....
Pleasant Valley Coal 1st g. s. f. 5s.	1928	1,162,000	J & J	106¼	Feb. 27,'02	....	....	....
Roch & Pitts. Cl & Ir. Co. pur my 5's	1946	1,064,000	M & N	....	....	....	....	....
Sun. Creek Coal 1st sk. fund 6's	1912	335,000	J & D	....	....	....	....	....
Tenn. Coal, Iron & R.R. gen. 5's	1951	3,000,000	J & J	99	Nov. 24,'03	....	....	....
" Tenn. div. 1st g. 6's	1917	1,193,000	A & O	100	Dec. 11,'03	....	....	....
" Birmingh. div. 1st con. 6's	1917	3,650,000	J & J	101½	Jan. 12,'04	....	....	....
Cahaba Coal M. Co., 1st gtd. g. 6's	1922	892,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C&I Co. gtd. g. 6's	1910	2,729,500	F & A	100¼	Jan. 6,'04	....	....	....
Va. Iron, Coal & Coke, 1st g. 5's	1949	6,653,000	M & S	73	Feb. 29,'04	73	67½	115,000
Wheel L. E. & P. Cl Co. 1st g 5's	1919	846,000	J & J	32	Jan. 15,19'	....	....	....
GAS & ELECTRIC LIGHT CO. BONDS.								
Atlanta Gas Light Co. 1st g. 5's	1947	1,150,000	J & D	....	....	....	....	....
B'klyn Union Gas Co. 1st cong. 5's	1945	14,493,000	M & N	113	Feb. 23,'04	114	113	32,000
Buffalo Gas Co. 1st g. 5's	1947	5,900,000	A & O	65	Feb. 18,'04	65	65	2,000
Columbus Gas Co., 1st g. 5's	1932	1,215,000	J & J	104½	Jan. 28,'98	....	....	....
Detroit City Gas Co. g. 5's	1923	5,603,000	J & J	97½	Feb. 11,'04	97½	96	10,000
Detroit Gas Co. 1st con. g. 5's	1918	381,000	F & A	105	June 2,'03	....	....	....
Equitable Gas Light Co. of N. Y. 1st con. g. 5's	1932	3,500,000	M & S	112	Nov. 11,'03	....	....	....
Gas. & Elec. of Bergen Co. c. g. 5s.	1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. del. g. 3½'s	1942	2,049,400	F & A	88	Feb. 2,'04	88	88	25,000
Grand Rapids G. L. Co. 1st g. 5's	1915	1,225,000	F & A	107¾	Dec. 17,19'	....	....	....
Hudson Co. Gas Co. 1st g. 5's	1949	9,180,000	M & N	105	Feb. 5,'04	105½	104¾	26,000
Kansas City Mo. Gas Co. 1st g 5's	1922	3,750,000	A & O	....	....	....	....	....
Kings Co. Elec. L. & Power g. 5's	1937	2,500,000	A & O	....	....	....	....	....
" purchase money 6's	1997	5,010,000	J & J	119	Feb. 15,'04	119	119	7,000
Edison El. Ill. Bkln 1st con. g. 4's	1939	4,275,000	J & J	93¼	May 29,'03	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's	1919	10,000,000	Q F	105	Feb. 15,'04	106	105	40,000
" small bonds				97½	Nov. 1,'95	....	....	....
Milwaukee Gas Light Co. 1st 4's	1927	6,000,000	M & N	90	Feb. 24,'04	90	89¾	18,000
Newark Cons. Gas, con. g. 5's	1948	5,274,000	J & D	....	....	....	....	....
N. Y. Gas EL. H & P Co 1st col tr g 5's	1948	15,000,000	J & D	107	Feb. 24,'04	108½	107	55,000
" registered			J & D	....	....	....	....	....
" purchase mny col tr g 4's	1949	20,927,000	F & A	90⅞	Feb. 27,'04	91½	90	77,000
Edison El. Illu. 1st conv. g. 5's	1910	4,312,000	M & S	105¼	Feb. 17,'04	105¼	105¼	3,000
" 1st con. g. 5's	1995	2,156,000	J & J	114	Aug. 12,'03	....	....	....
N. Y. & Qus. Elec. Lg. & P. 1st. c. g. 5's	1930	2,272,000	F & A	101	Feb. 21,'04	101	100½	7,000
N. Y. & Richmond Gas Co. 1st g. 5's	1921	1,000,000	M & N	102¾	Apr. 30,'03	....	....	....
Paterson & Pas. G. & E. con. g. 5's	1949	3,317,000	M & S	....	....	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's	1904	2,100,000	M & N	100¼	Dec. 11,'03	....	....	....
" 2d gtd. g. 6's	1904	2,500,000	J & D	100¼	Dec. 16,'03	....	....	....
" 1st con. g 6's	1943	4,900,000	A & O	119½	Feb. 5,'04	119½	118¾	4,000
" refunding g. 5's	1947	2,500,000	M & S	104	Feb. 2,'04	104	104	1,000
" refuding registered			M & S	....	....	....	....	....
Chic. Gas Lt & Coke 1st gtd g. 5's	1937	10,000,000	J & J	107	Feb. 4,'04	107	107	1,000
Con. Gas Co. Chic. 1st gtd. g. 5's	1936	4,346,000	J & D	106	Jan. 22,'04	....	....	....
Eq. Gas & Fuel, Chic. 1st gtd. g. 6's	1905	2,000,000	J & J	101¾	Feb. 2,'04	101¾	101¾	2,000
Mutual Fuel Gas Co. 1st gtd. g. 5's	1947	5,000,000	M & N	100	Nov. 27,'03	....	....	....
" registered		....		....	....	....	....	....
Syracuse Lighting Co. 1st g. 5's	1951	2,000,000	J & D	....	....	....	....	....
Trenton Gas & Electric 1st g. 5's	1949	1,500,000	M & S	109	Feb. 8,'01	....	....	....
Utica Elec. L. & P. 1st s. f'd g. 5's	1950	1,000,000	J & J	....	....	....	....	....
Westchester Lighting Co. g. 5's	1950	5,360,000	J & D	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	FEBRUARY SALES. *High*	*Low.*	*Total.*
TELEGRAPH AND TELEPHONE CO. BONDS.							
Am.Teleph.&Teleg.coll.trust.4's.1929	28,000,000	J & J	96½	Apr. 29,'03	....	....	....
Commercial Cable Co. 1st g. 4's.2397.	10,747,300	Q & J	100½	Apr. 8,'02	....	....	....
" registered....................		Q & J	100½	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.							
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	1,823,000	M & N	110¾	Nov.19, '03			
" registered...................		M & N					
N. Y. & N. J. Tel. gen. g 5's.......1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's...1938	8,504,000	J & J	106⅝	Feb. 29,'04	107	105	34,000
{ " fundg & real estate g.4½'s.1950	16,000,000	M & N	102¾	Feb. 26,'04	103¾	101¾	82,000
{ Mutual Union Tel. s. fd. 6's....1911	1,957,000	M & N	107½	June22,'03	....	....	....
{ Northern Tel. Co. gtd fd.4½'s..1934	1,500,000	J & J	102	Feb. 16,'04	102	102	3,000

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

NAME *Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1904. *High.*	*Low.*	FEBRUARY SALES. *High.*	*Low.*	*Total.*
United States con. 2's registered...1930		Q J	107¼	106⅛	....	....	......
" con. 2's coupon............1930	542,909,950	Q J	105⅝	105¼	....	....	......
" con. 2's reg. small bonds..1930		Q J	....	....	....	....	......
" con. 2's coupon small bds.1930		Q J	....	....	....	....	......
" 3's registered...........1908-18		Q F	....	....	....	....	......
" 3's coupon.............1908-18	77,135,300	Q F	108	106¾	107¼	106¾	500
" 3's small bonds reg.....1908-18		Q F	....	....	....	....	....
" 3's small bonds coupon.1908-18		Q F	107⅛	107⅛	107⅛	107⅛	6,800
" 4's registered..............1907	156,801,500	J A J&O	107⅝	107⅝	107⅝	107⅝	6,000
" 4's coupon.................1907		J A J&O	107⅛	107	107½	107	4,000
" 4's registered..............1925	118,489,900	Q F	....	....	....	....	......
" 4's coupon.................1925		Q F	134	132¾	132¾	132¾	10,000
District of Columbia 3-65's...........1924		F & A	....	....	....	....	......
" small bonds.....................	14,224,100	F & A	....	....	....	....	......
" registered........................		F & A	....	....	....	....	......
Philippine Islands land pur. 4's...1914-34	7,000,000	Q F	....	....	....	....	......
STATE SECURITIES.							
Alabama Class A 4 and 5...............1906	6,859,000	J & J	....	....	....	....	......
" " small...........	....	....	....	....	....	....	......
" Class B 5's...................1906	575,000	J & J	....	....	....	....	......
" Class C 4's...................1906	962,000	J & J	....	....	....	....	......
" currency funding 4's.......1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.							
Louisiana new con. 4's................1914	10,752,800	J & J	....	....	....	....	......
" " small bonds..........							
Missouri fdg. bonds due.........1894-1895	977,000	J & J	....	....	....	....	......
North Carolina con. 4's................1910	3,397,350	J & J	102⅛	102	102	102	1,000
" small.......................		J & J					
" 6's.........................1919	2,720,000	A & O	....	....	....	....	......
South Carolina 4½'s 20-40.............1933	4,392,500	J & J	....	....	....	....	......
Tennessee new settlement 3's........1913	6,681,000	J & J	..	....	....	....	......
" registered......................	6,079,000	J & J	....	....	....	....	......
" small bond......................	362,200	J & J	....	....	....	....	......
Virginia fund debt 2-3's of...........1991	18,054,277	J & J	....	....	....	....	......
" registered......................		J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871	3,974,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871.....	8,716,565	....	8	7	7¾	7⅛	134,000
FOREIGN GOVERNMENT SECURITIES.							
Frankfort-on-the-Main, Germany, bond loan 3½'s series 1......1901	14,776,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.							
Imperial Russian Gov. State 4% Rente....	2,310,000,000 (Rubles.)	Q M	....	....	....	....	. ....
Two rubles are equal to one dollar.							
Quebec 5's.............................1908	3,000,000	M & N	....	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's..................	....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200...........................	£22,162,120	......	....	....	....	....	......
Small bonds denominations of £20......	....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.	....	......	....	....	....	....	......

BANKERS' OBITUARY RECORD.

Armistead.—John Armistead, President of the Mercantile Bank, Memphis, Tenn., died February 26.

Borg.—Simon Borg, founder of the banking firm of Simon Borg & Co., New York city, died February 10. He was born in Prussia in 1840, coming to this country at the age of sixteen. For a time he was engaged in banking in the South, and in 1865 came to New York, where he soon established the firm of Simon Borg & Co.

Brown.—Hon. Orange S. Brown, President of the Salmon Falls (N. H.) Bank, died January 29. He was born at Tiverton, R. I., February 27, 1837. Besides his banking interests, he was for many years prominently associated with cotton manufacturing.

Brown.—Rufus H. Brown, President of the Warren Five Cents Savings Bank, Peabody, Mass., and a director of the Warren National Bank, died February 8, aged seventy-nine years. He had been a trustee of the Savings bank since its incorporation in 1854 and President since 1875.

Burrell.—John T. Burrell, Assistant Cashier of the Massasoit-Pocasset National Bank, Fall River, Mass., died February 1. He was born at Fall River in 1857. After graduating, he was for a time a clerk in the Union Bank, and afterwards bookkeeper of a mercantile firm. He subsequently was engaged with the Pocasset and Union banks, becoming Cashier of the latter, which position he held until the consolidation of the Massasoit and Pocasset banks, when he became Assistant Cashier, and held this office until his death.

Carr.—John S. Carr, Assistant Cashier of the American Exchange National Bank, New York city, and connected with that institution for nearly half a century, died recently. He was born at Newport, R. I., in 1829.

Hanna.—Hon. Marcus A. Hanna, United States Senator from Ohio, President of the Union National Bank, Cleveland, and one of the best-known men in the country, died February 15. He was born at New Lisbon, Ohio, September 24, 1837. His business interests were extensive and he was eminently successful, leaving a fortune of over $7,000,000. He was President of the National Civic Federation at the time of his death and was deeply interested in wise and well-directed efforts for settling labor controversies.

Logan.—William Logan, Cashier of the Hanover National Bank, New York city, died February 28. Mr. Logan was born in Brooklyn, N. Y., thirty-nine years ago. He was educated in the public schools, and in 1881 entered the Hanover National Bank as a junior clerk. He won his way to the position which he held at the time of his death. He was a director in the Greenwich Bank, the North American Trust Company, and the Bankers' Trust Company.

Luikart.—G. A. Luikart, President of the Citizens' National Bank, Norfolk, Neb., and prominently connected with other banks in Nebraska and elsewhere, died February 6. He was born in Germany in 1852, and came to this country in 1870. He had been a member of the Nebraska Legislature, and was a successful business man.

Miller.—Henry W. Miller, President of the Morris County Savings Bank, Morristown, N. J., died January 30, aged sixty-seven years. He was a retired Lieutenant of the U. S. Navy, and from 1871 to 1875 was Recorder of Morristown and Mayor from 1880 to 1882.

Trowbridge.—Edwin D. Trowbridge, for many years a partner in the house of Vermilye & Co., New York city, died February 25, aged fifty-five years. He retired from active business about two years since.

Van Syckel.—Joseph Van Syckel, President of the Clinton (N. J.) National Bank, died February 19, aged eighty-five years. He was one of the incorporators of the bank in 1856, had always been a director, and had been President since 1875. The bank has been notably successful, and this has been due, in large part, to Mr. Van Syckel's financial judgment, his energy and the high character which marked his career.

THE

BANKERS' MAGAZINE

RHODES' JOURNAL OF BANKING and THE BANKERS' MAGAZINE Consolidated.

FIFTY-EIGHTH YEAR. APRIL, 1904. VOLUME LXVIII, No. 4.

THE RATIFICATION OF THE PANAMA CANAL TREATY brings the preliminary payments and their probable effect upon the money markets of the United States into prominence. Ten millions of dollars to Panama and $40,000,000 to the French company constitute a large sum, especially if it is to be sent out of the country at once. Of course fifty millions do not seem a large proportion of the sum of money in the country. It must be remembered, however, that the regularity of the circulation of cash is easily disturbed. A comparatively small sum drawn from the reserves upon which the banks are dependent for meeting the immense check and draft transactions going on from day to day, may have a disturbing influence on the money markets. The experience with the locking up of a few millions of surplus reserve in causing monetary stringency shows how easily the balance of the monetary transactions of the country can be unfavorably affected. The Treasury has frequently stemmed the tide of a crisis by pouring out a few millions in interest on the markets; and this all goes to show how slight withdrawals and replacements at the great money center of the country may be seriously felt throughout the entire country.

As a matter of fact so large a sum as fifty millions has never in the history of the country been drawn out of the general circulation reserves and sent to another country. The Spanish payment was only twenty millions. The Louisiana purchase payment was about twelve millions and was made in long-time bonds. Even if the ten millions to Panama which may possibly be invested in the United States is counted out, the forty millions to the French company is alone double the payment to Spain. This payment to France must be made virtually in gold. Of course it probably will not be taken from the banks or the Treasury and shipped bodily to France. But whether our bankers can create exchange by borrowing or selling

securities abroad, sooner or later the gold will be drawn from here to make good the borrowing, or as the securities are sent back for sale. The question is, Can these operations be distributed over a sufficient space of time so that the balance can be struck with the help of surplus exports of products or merchandise? France as a nation generally has the advantage in an exchange of productions with the United States. Our exports to other European countries, to Great Britain and to Germany, may give a fund there to draw on, which can be transferred to help the French payment. The war between Japan and Russia has visibly affected the French money market so that their financiers will be anxious to have the forty millions in a shape to strengthen their home reserves. They will probably want gold as quickly as possible. The money withdrawn from the banks by the Secretary is not gold, but will be used to procure either the gold or the exchange which represents the gold. But the movement of the money from the banks will compel them to call in loans and thus affect to some extent the business communities dependent upon them.

The successful transfer of the sum due to the French company, successful in the sense of being accomplished with the least disturbance of normal conditions here, depends on many contingencies. Even if exchange is procurable and the payment seems at first to have been successfully accomplished, some months may pass before the full results on the financial situation here can be fully known. If drawn against actual funds belonging to this country, held abroad, the proceeds of our exports, the transaction would be complete, but if this exchange be drawn against securities sent abroad, or against borrowed funds there, the real draft on the gold reserves here would come later.

The revenues and expenditures of the Government are now coming very close to each other. There seems to be every probability that the small surplus will tend to disappear under the enlarged expenditures for pensions and under other appropriations by Congress. However skillfully the payment of the amount due the French company is arranged, the resources of the Treasury will be reduced by that much. It is a payment unlike the ordinary expenditures within the country which only add to the resources of the people what is taken out of the Treasury; but there is little prospect that any of this sum sent to France will come back. It is paid out for something that cannot, in the nature of things, bring any return for years to come.

It may be admitted that the country is rich enough to undertake this great public work, and that when accomplished it will prove worth all it cost. Nevertheless, the magnitude of the undertaking

should not be lost sight of, and the strains which the payments of the money required will put upon our home markets should be carefully calculated. Of all the probable strain on the financial machinery of the country this first payment to France will probably be the greatest. The money for the construction of the canal itself will be provided by bond issues, and the money produced thereby will be largely expended in the country.

TRUSTS SEEM TO BE of two kinds—those which were built up gradually and carefully with economy and skill with a capitalization approximate to the real value of their resources and possessions, which pay dividends and have power to crush competitors, and those which are the creations of the promoter whose capital, obtained from the guileless public, has been dissipated in the process of consolidating decadent corporations and their plants.

The successful consolidation and concentration of great industries relating to special natural productions, such as oil or sugar, gave rise to a host of imitations, where the subject-matter of the industry was not fitted to be monopolized. Many of these masterpieces of the promoter are now said to be in a critical condition. With this process of decay going on in the vitals of these erstwhile objects of terror, will grow up a more sensible public opinion as to the real natural laws which govern combinations for monopolizing trade or industry. The benefits as well as the dangers which beset attempts to control particular products and manufactures will gradually become a subject of common knowledge. The public will learn that the road to wealth does not always proceed along the lines of big combinations. There is nothing very new in the ardor with which some portions of the investing public rush to the call of the trust promoter; there is nothing new in the outcry of wrath and hatred excited in another part of the public against these institutions. Every new development in business brings about the same phenomena.

It is not believed that the downfall of many of these dreaded monsters will be any loss in the country's aggregate wealth. The transactions which accompanied their rise, decline and fall, point more to a redistribution of wealth rather than to a destruction of it. This redistribution will be extremely painful to those who bought the inflated stocks, but will afford a compensating joy to those who received the proceeds. The wealth such as actually existed will migrate into other investments.

One unfortunate feature of the formation of these industrial trusts, and this too was in some measure the cause of the outcry against them, was the large number of employees of various ranks thrown

out of accustomed positions and deprived of usual income. From these arose the bitterest attacks on the trusts, and from these, too, will come those who will start up destroying competition against them.

The cessation of the attack on trusts, which has furnished so much political capital, will be due not only to the apprehension that the trusts are not in all cases so powerful and invincible as they once seemed, but also to the fact that the great mass of those who were shaken out of their old positions have established themselves in other employments. The trusts also, in many cases, served a useful purpose at least for a time. After the panic of 1893 when the country was glutted with goods which could not be sold at home, in many cases the trusts furnished the means of disposing of them in foreign markets. No doubt much of this foreign business was done at a loss, but it served at least as an advertisement, and the loss was less than would perhaps have been the case had not a combination been made among manufacturers.

Perhaps, after the experience of the last decade, both the use and the abuse of the trust will relegate it to its proper place as a piece of financial machinery.

FURTHER PROTECTION OF BANK DEPOSITORS is sought to be attained by a bill introduced in Congress for providing more severe penalties for those managers of banks who, knowing their institution to be insolvent or on the verge of insolvency, accept new deposits.

It is certainly in some cases very difficult for a bank officer to refuse a deposit when it may be the very sum that is needed to pass over a temporary embarrassment. A run may have been made on a bank for no sufficient reason, and its available cash may be so drawn down that without assistance suspension at least if not failure is almost inevitable. The bank officers must know this, and they are also aware that failure to pay on demand constitutes an act of insolvency. Just at the critical point, however, the tide turns and deposits are offered. Are the officers to refuse these, and reject the opportunity which seems about to restore the bank to its normal standing?

If the severe penalties of the proposed measure become law, a great risk has to be run. If the deposits accepted enable the panic to be overcome and the business resumes its natural flow, the directors will of course have been justified. But if the returning deposits are merely added to the general wreck, the officers have made themselves criminally liable.

It seems that a general law of this kind is against public policy. Undoubtedly there have been of late numerous cases where there

could be little doubt of intended fraud, but there is no need of so sweeping a law to punish such. Each case should stand on its own merits, and the act should be judged as fraudulent, not because of its coincidence with a technical insolvency, but from the circumstances from which fraud would be deduced without this special statute. Insolvency is usually the result of violations of banking laws already in operation. The National banking laws contain provisions relating to every possible conduct of banking affairs which is attended with danger. From actual stealing to carelessness and negligence, all methods likely to wreck a bank have been pointed out and guarded against in the law. The penalties inflicted are undoubtedly sufficient, and they are generally enforced. There are, and always will be, cases where the punishment inflicted on those who have caused loss to depositors does not satisfy the feelings of vengeance which naturally arise in the minds of those who lose money either by careless or fraudulent management of banks. We cannot suppose that the loser cares much whether the culpable bank officer meant to defraud him or not, the result to him is the same, and to measure out punishment merely in consideration of the feelings of the loser is recognized at once by unprejudiced common sense as unjust. The object of penalties is not so much for vengeance or even compensation as it is to warn those who as yet have made no missteps. The feeling of disgrace and chagrin of those responsible for bank failure is in itself a severe punishment acting automatically. It is very seldom that the individual so affected can ever regain his former status. It is necessary, however, that a public mark of disapproval should be set on the guilty. The mere fact of conviction and sentence, without regard to the severity of the punishment in length of years, is sufficient to fix the criminal brand. But the bad policy of an act which inflicts punishment of a criminal nature, and makes an ordinary act a crime because it happened to be coincident with the occurence of an event of such a nature as insolvency, consists in the fact that it will tend to keep many honest and conscientious persons from going into business in which they may very easily expose themselves inadvertently to criminal charges.

The bill seems to be analogous to a measure which has often been proposed, but dropped as unwise and impracticable, to prevent officers and directors from borrowing legitimately from their own banks. Just as such a prohibition in the case of officers and directors would prevent good men who are the most desirable for those positions from accepting them, and tend in time to lower the personal character of bank officers and directors as a class, so does this proposed measure severely penalizing an act of which the criminality cannot be really known until after the event, tend to warn all but men reckless of their

reputations from becoming bank officials. The acts which might be justly punished under the measure are already subject to penalties under existing law. For many acts which might technically come under the proposed law, the punishment imposed is severe and unjust. Whenever bank failures attract public attention there at once arises a demand for extraordinary penalties for those who seem to be responsible. In response to such demands bills are introduced often for mere political effect. After sufficient time for consideration they are seen to be unjust and impracticable as well as unnecessary.

COMPETITION AMONG BANKS can be viewed from two distinct standpoints—that of the banks themselves and that of the general public. The banker sees in the competition of his fellows a continual tendency to the reduction of his profits. The outside public look upon this competition among bankers as an advantage to themselves. Congress, in making or amending legislation affecting banks, has as a rule looked more to the interests of the public than it has to those of the banks. Whenever the National banks have secured any advantage to themselves from legislation they have given full measure of service in return. From the day the National system was rendered possible by forcing the notes of State banks out of circulation by the pressure of the ten per cent. tax, Congress has apparently looked upon them as public servants to be dealt with solely from the standpoint of the public good. The original banking law contained all the restrictions and limitations that its framers could discover in the State banking laws then extant. Later legislation has not been in the direction of greater liberality, but rather the contrary. The concession of a larger percentage of circulation in 1900 on bonds deposited has been almost the only instance in which the National banks could be said to have received a favor. This was granted not so much out of kindness to the banks as from a desire to secure their services in refunding the national debt at two per cent.

The inherent adaptation of the system to the needs of the country is shown by the growth of the system under all the restrictions imposed by law upon the banks composing it. The system has grown because it has inspired confidence in the business public. The safety of the National banks as depositories has nearly kept pace with their safety as issuers of circulating notes. But they have had to encounter competition not only from each other but from State and private banks, from Savings banks and trust companies. In this competition the comparison of the proportionate number of failures in each class of institutions shows that they have more than held their own. All the banks in the United States to-day are working under general

laws. The history of banking in this country shows that free banking, as it was called, was early demanded by the people of the different States.

The first banks were granted exclusive privileges and powers by special legislative charters modeled on the charters granted to banks by European governments. The charter freely granted to all who would conform to certain conditions recognized as necessary in undertaking the banking business, is notably an institution of this country. The Government, State or National, lays down certain broad rules, and all else is left to the banks themselves. The rules laid down are similar for the same kind of bank under the State and National governments. They vary somewhat in the ground covered by restrictions.

It is this freedom of banking that causes much of the competition which worries the banker, and secures so many advantages to the man who deposits with or borrows from the banks. Probably in no country in the world do the public receive as good service from the banks in the safe-keeping and transmission of money and in the business of exchange of checks and drafts as in the United States. And notwithstanding the services thus rendered without apparent and immediate return, the banks seem to prosper.

Perhaps the attitude of the banker who bewails competition because it inflicts upon him unprofitable accounts and compels him to collect checks and drafts at par, is not one of discontent that his profits are small, but he grieves because he knows that on account of competition he cannot use so many ways of making them larger.

That all the banks of the country manage to eke out a fairly profitable existence indicates that there is business enough for them all. In a country where banking capital freely competes for business, as it does in the United States, the bankers are not likely to become hidebound with sloth. They have to be wide awake and seize all chances of using money consistent with safety. The banker who has a virtual monopoly can draw his own lines and keep continually in his own rut. Business has to contract itself to his ideas; enterprise is sadly cooled by his attitude. The banker who competes for business finds safe profits in fields which would remain barren were it not for him. As the banker is more active and open to new ideas, the enterprise of the people around him increases, and wealth accumulates more rapidly. The very privileges and services granted freely by our competing bankers bring rewards later in increased business. The bankers of the United States depend upon themselves and not on the Government or on special privileges, and this independent attitude has made them more alert to increase the business enterprise in the communities around them, and brings more grist to

their mills. They have no real reason to envy the banker whom competition spared to grow into a drag on the prosperity of his locality.

IT IS SAID THAT NATIONAL BANKS on the Pacific coast are now taking out circulation, and sending the notes to the Philippine Islands, and it is also said that the Hawaiian banks are sending their notes to this country. There is nothing new under the sun, and given the same opportunities the same things will occur in banking. In the day of State banking before the Civil War, when the time of transport between different States and sections of the country was greater than it now is between almost any part of the United States and the Philippines, and when there were no telegraphs or telephones, the banks used to get the largest possible profit out of their notes by sending them for circulation as far from home as possible, so that their return for redemption might also be delayed as long as possible. Since the limitations put on bank notes by the banking laws have been in operation, there has been no very great motive for this practice, at least within the United States. The National banks have little difficulty in keeping out their notes. They are obliged to keep a redemption fund of fixed amount with the United States Treasurer, replenishing this fund as it becomes reduced by redemptions. The redemptions of National bank notes have never been very active, and the percentage of gain from the loss and destruction of notes has been very slight. The Philippines present an opportunity to the banks to place their notes in a locality where their convenience will be appreciated and their credit, like that of all American bills, high. The chances are that they will to a great extent supersede the silver coinage, being more convenient for all purposes.

So far it is only the Pacific coast banks which are said to have sent bills, but there is no reason why, if there proves to be a profit in the business, National banks anywhere in the United States might not follow their example. There are many banks which do not appear to require at home the full amount of notes they could issue. Nevertheless, it is hardly possible that the requirement of the Philippines for National bank notes from the United States will be very great or will seriously deplete the aggregate of bank note circulation here. The greater danger is indicated in the fact that Hawaiian banks are sending their notes to the United States. Soon National banks may be organized in the Philippines and may do the same thing. In so far as they are National banks, the exchange of notes can result in nothing very serious, except some slight loss to the pub-

lic from the usual wear and tear resulting from the prolonged circulation, but there are banks in the Philippines established under Spanish charters, which have to a greater or less extent the right to issue a credit note circulation. It is possible that some of these may be seen in this country ere long, although the ten per cent. tax law may prevent any greater currency than is now the case with Canadian bank notes.

The results of the circulation in this country of bank notes of the colonial possessions, and *vice versa*, may not be of any great moment, but the fact that there will probably be some interchange, not only of bank notes but of the coin, is an argument for uniformity of coinage and of bank regulations of the islands and the continental United States. The establishment of a different plan of silver coinage in the Philippines may prove as inconvenient as did the coinage of trade dollars in the seventies. The reason given on behalf of the banks which have sent their notes to the Philippines is that the war in the East has caused a dearth of Mexican dollars in the islands and that the notes, as far as their denominations, not less than five dollars, will permit, supply the deficiency. Evidently there is truth in this statement; for whatever advantage there might be in sending notes to a place from which returns for redemption would be slow, the notes could not be circulated there at all unless there was room for them. This room for circulation may be due partly to the fact that the notes are more convenient than Mexican dollars, and would take their place in large payments, and partly because of the exportation of Mexican dollars on account of war demands. If, however, any inconvenience were experienced from the circulation of bank notes from the United States in the island possessions, either from a plethora of money there or from contraction at home, the matter might be equalized by a law requiring a bank whose notes circulated abroad to redeem at a branch of the Treasury redemption agency established in the islands.

In one respect these beginnings point out many possibilities. China is practically without a currency, and once established in the Philippines the bank notes of the United States may find their way to other eastern countries and prove a means of regulating and simplifying trade there. The distance, considering modern means of communication is not greater than that which GEO. SMITH's bank in the wilds of Wisconsin overcame when it almost furnished a bank currency for the United States as it then was.

The number of banks in the Philippine Islands appears from the last report of the Comptroller of the Currency to have been ten in 1903. Three are American banks established since the islands came into the possession of the United States. The other seven are

agencies of foreign banks in Hong Kong, Shanghai, India and Australia and Spanish banks previously in business. Some of these banks issue circulating notes, and the total amount of their notes current in 1903 was $1,176,396, showing a slight increase over the amount outstanding the previous year. These notes are issued on the general credit of the banks. The money of the Philippine Islands, as is well known, has always consisted principally of Mexican dollars. By a law enacted over a year ago Congress provided for coins of a special form, of silver, which are kept equal to gold at their nominal value by being redeemable by the Treasury of the islands. The amount is limited, and is probably not sufficient to supply the place of the Mexican dollars, which it is expected will gradually be used less and less until they disappear from circulation. The outbreak of the Eastern war seems likely, if reliance can be placed on reports received, to hasten the export of the Mexican dollars.

The islands, like China and other parts of the East, have been without any regular standard of money recognized and fixed by the Government until the United States came into possession. Mexican dollars were taken at their bullion value, and all business afforded great chances to those who deal in money and exchange. As is inevitable under such conditions, it was the poorer classes who suffered and who still suffer the most by the lack of a standard of value and exchange. The efforts of Congress to establish a gold standard and furnish a stable subsidiary coinage will, when they have full effect, prove of the greatest benefit to the people of the Philippines. It seems rather anomalous that some of the banks there, from the rights carried over from the old regime, exercise the privilege of issuing bank notes in a manner not permitted in the United States. The foreign bank agencies seem to stand on a somewhat different footing than the banks which received their charters from the Spanish authorities. But however this may be, Congress can if it choose deprive them of any exercise of such right as they may have to issue circulation, in the same manner as the State banks now find similar rights under their charters unavailable, viz., by taxation. Whether there is any policy or object in doing this, is another question. In regard to this it may be said that there has been no complaint of the manner in which these left-over banks have used their privilege. If, however, they continue to exercise it they afford an example which may influence all future banking on the islands. As American institutions gain ground there they will necessarily be accompanied by the American principle of a free banking law, and self-interest will readily make a strong party in favor of retaining the advantages to the banks of note issues on general credit. It will be hard to combat the granting of the free-issue privilege to future banks when

there are existing banks already exercising it. But to permit note issues of this kind in so undeveloped a country would be worse than it proved in the days of wildcat banking in the United States.

If it is advisable to establish National banks after the home pattern in the Philippines, the process will be the more difficult in competition with existing banks. As evidenced by bank notes already sent from the Pacific States to the islands, there is a demand for more currency, either caused by the disappearance of Mexican dollars or by the greater demands of increasing business.

Congress should regulate banking methods in the Philippines so that there shall not be too great a contrast to those in the United States. Some differences it may be necessary to allow in deference to the old customs of the islands, but they should not be so great as to hamper exchange and thus indirectly render trade with the islands more difficult.

SCIENTIFIC PERSONS and boards of health have, since the germ theory of the propagation of disease has been generally accepted, interested themselves in investigating whether money, circulating as it does from hand to hand among all classes of people, is not a vehicle through which germs are distributed. Before the rise into prominence of the germ theory, there were rumors that some injuries to health could be traced to the handling of money.

Inquiries were made at the Treasury Department at Washington to learn if any of the constituents or materials employed in making the paper on which the notes are printed are of a nature likely to be deleterious or poisonous. There was certainly enough paper money handled by the counters and sorters in the department to afford a sufficient basis for a fairly accurate test. From the brand-new sheets of bills to the dirtiest and raggedest notes sent in for redemption, in filthy bundles, every stage in the use and wear and tear of the notes was represented. Anyone with a keen sense of smell could trace the gradual change from the sickly chemical odor pervading the newly-printed sheets, to the concentrated essence of old clothes given forth by the dingy bundles of mutilated notes in the redemption bureau. All of these notes, in their various stages from issue to decay, were, and still are, minutely handled by employees, male and female, in rooms not by any means too well ventilated. It would be supposed that if disease were conveyed by paper money, some evidence of this fact might be obtained among these employees who were in continual contact with the notes, and who daily breathed an air permeated with their effluvia. But so far as could be discovered there was nothing peculiar in the health of the employees who handled

the money; nothing that distinguished them from other classes of individuals who lived under analogous conditions of a sedentary life. If there was danger in the handling of money it was of the kind to which the drinkers of coffee are alleged to expose themselves, very slow in its deleterious operation In other lines of business, of an acknowledged dangerous character, like working in lead or copper, or in match factories, or in grinding tools, the effects soon show themselves on those engaged.

Not only the employees of the Treasury but those who find employment in the banks are exposed especially to the dangers of handling money, and their average immunity from disease seems to disprove that there is any special danger in it. To go a step further, it is traditional that misers taking delight in retiring to unhealthful places of privacy to count and gloat over their wealth were notoriously long lived. In fact, although logically money, especially paper money, seems to fulfill all the conditions of a successful germ-breeder and distributor, nevertheless the handling of money seems to be a healthful occupation, rather than otherwise. The Board of Health, of New York city, has recently been making some experiments with the minor coins, likely to pass through the hands of the poor and diseased. Pennies and nickels taken from sick children were found to retain some germs of disease. There was, however, a distinctly antiseptic quality to the coins, as might have been expected, which destroyed these germs within a short period. Silver coins had less of this quality, and presumably gold would have still less. Copper is known as a great destroyer of germs and fungi. The experiments of the board of health seemed to show that the danger in handling coins of copper, nickel or silver was slight, although a bare possibility of contagion from them might exist. The board is still pursuing the experiment with paper money. As it is in this form that greater dangers would appear to exist, some interest is felt in the results of the investigations.

THE PROSPERITY OF THE UNITED STATES is treated at length in a fifty-two-page supplement to the London "Statist's" issue of February 27. While the railroads receive more attention than anything else, the review also treats of production, commerce and banking. "The Statist," referring to the recent slackening of trade, says that there has been no serious blow to credit, and that the difficulties in our money market have been due to the employment of too much capital in purchasing our securities held abroad. There is, also, it is pointed out, no distrust of our currency amongst foreign investors, as was the case some years ago.

THE NORTHERN SECURITIES DECISION.

The decision in the merger cases has been in favor of the Government's contention that the Northern Securities Company, organized for the purpose of holding and voting the stocks of the Great Northern and Northern Pacific Railroads, was in contravention of the Sherman anti-trust law.

This company was formed in 1901, under a New Jersey charter, with a capital of $400,000,000. Of this capital $365,000,000 was issued in return for ninety-nine per cent. of the Northern Pacific and seventy-five per cent. of the Great Northern stock. In 1902 the Attorney-General was instructed to bring suit on behalf of the Government against the company. Previously the company had been sued on behalf of the State of Minnesota. An injunction was also sought from the Supreme Court of the United States on behalf of Minnesota. The injunction suit was dismissed by the court for want of jurisdiction. The main suit of the State was, in September, 1903, decided by Judge Lochren against the State, declaring the company not in violation of law. The Attorney-General brought suit directly in the circuit court, which was authorized by Congress to hear the suit without its first passing through the district court. In April, 1903, the circuit court unanimously declared the company a combination in restraint of trade as forbidden under the Sherman law. The appeals from this decision and from the decision of Judge Lochren were heard by the Supreme Court in December and January respectively. The decision just handed down affirms the decree of the circuit court in every particular, and also by consequence disposes of the appeal from the Lochren decision. The circuit court decision, which has been affirmed, declared the acts leading to the formation of the Securities Company illegal, enjoined any further acquirement of the stocks of the railroads involved, enjoined the voting of the stock already acquired or the payment of dividends on it, but pointed out a way by which the illegal acts might be remedied by providing that the stock of the roads acquired by the securities company might be returned to its original holders on their surrendering the stock of the company received in exchange therefor. During the period of appeal the decree of the court was in abeyance, but since the affirmation of that decree by the highest court it is in full force.

This litigation has excited great interest throughout the country, ranking with the great legal-tender cases, and with the case of the income tax. The great mass of the people, who have little or nothing at stake in the outcome of the case in an immediate pecuniary sense, recognized in it a contest between the powers of great corporations and those of the Government. There has been a growing sentiment for years that the ordinary laws could not be enforced against powerful corporations, and the Northern Securities was recognized as one of the most powerful yet created. It really made little difference whether these great combinations were called trusts or corporations, the public saw in the Northern Securities an example of how financial combinations, if proved to be beyond the restraint of law, might practically

go on without limit. On the other hand, it is highly probable that the feeling against the securities combination was not one of any great hostility in the ordinary sense. The intelligent public, unbiased by personal or political reasons, could perceive that the objects of the combination were not without merit; that it was, in a sense, whatever the immediate designs of the financiers who devised it, an instrument capable of curing many of the evils which the public suffered as investors in railroad stocks, and also was calculated to secure uniformity in railroad rates and do away with the discrimination made against different classes of shippers by unrestricted railroad competition. Even if the public were charged somewhat higher rates through the destruction of competition effected by the combination, if uniformity to all classes of shippers, great and small, were secured, it would be a lesser evil than lower ostensible rates under which some shippers were favored more than others.

The main motive of the suit against the company was undoubtedly political, not in any narrow sense perhaps, but as an emphatic test of the powers of the Government when tried against the gigantic development of the corporate principle. This view conduced to the general popularity of the suits brought by the State of Minnesota and by the Attorney-General in behalf of the United States. But in addition to this reason for making this judicial attack there was undoubtedly the fear of a large number of shippers who use the railroads who have benefited and are still benefiting by a competition that fosters discrimination. The formation of railroad pools or combinations on a great scale and the consequent establishment of uniform rates to all, is not what the great shippers who have been favored in their business by this competition desired. They would be deprived of their power to play off one line against another and secure exceptional advantages for themselves. The inter-State commerce law is designed to so control the inter-State railroad lines of the country that they will treat one shipper exactly as they do another. It is probable that the railroads as a rule desire to conform to the spirit of this law. That they have not been able or willing to do so is because of their practical powerlessness in the face of the competition of other lines, and the pressure brought to bear on them by shippers struggling for advantages over each other. The competition among railroads has done more than anything else to stifle and destroy competition in other lines of business. There is hardly one of the so-called industrial trusts which has not attained its pre-eminence and crushed its competitors, to a very great degree, by availing itself of cheap transportation accorded by competing railroads.

The Sherman anti-trust law having now been decided to apply to corporate devices for interfering with competition between railroads, seems to be in some respects antagonistic to the inter-State commerce law, the spirit of which is to prevent the railroads from discriminating in the rates charged shippers. If the purpose of the Northern Securities Company, admitted to be to destroy railroad competition within the territory covered by the Great Northern and Northern Pacific Railways, could have been carried out without interference, the result could very easily have been uniformity of all rates throughout the whole belt covered. It would no doubt have given the opportunity to raise rates, but a uniform rate charged to all shippers, with no rebates, would have been a greater benefit to the general public, and, as

far as transportation is concerned, would have insured a fairer competition than existed when the two roads were competing with each other. Undoubtedly, in the light of the merger decision, new legislation is necessary which should be based on a wider and more philosophical study of the subject than that which resulted in the present laws. No fault can be found with the decision in that it enforces the present law. The close division of the court shows that the arguments in equity were very evenly balanced. The majority were no doubt right that the statute had been violated. Justice Brewer's divergence from the reasons of the other majority judges seems to leave a wide field for making future distinctions between reasonable and unreasonable efforts to control competition.

The subject of competition under modern conditions needs careful study. Corporations for purposes of transportation, inasmuch as they affect all other kinds of business, seem to be a class by themselves, to which laws suitable enough to control other corporations cannot always be applicable. It is this peculiarity of railroad corporations that gives some basis of reason to the socialistic demand that railroads and other forms of transportation should be directly managed by the Government. One management of all the great lines of transportation might possibly bring about a condition in which competition in other lines of business would be on a fairer footing. It would not be so easy for combinations in other lines of business to crush out competitors and become virtual monopolies, if they could be prevented from using the transportation facilities as a weapon.

Although the decision of the Supreme Court seems in some respects inconsistent with the views of those who would foster a reasonable competition in every line of business, in that by checking an attempt which would have a tendency to render transportation rates uniform and fair to all, the decision seems to encourage the suppression of competition by the unfair use of transportation facilities in all other lines of business, yet it was probably the only conclusion that could fairly be reached by the court under the special statute involved. It will stimulate a wider research into the subject. Some temporary method will doubtless be adopted to prevent injury to the roads involved. The values are really very little affected by the decision. The power of the Government having been asserted, such inconveniences as may arise will tend to inspire care and study in regard to future legislation. Justice Brewer's slight dissent from his four associates will make it manifest to the general public that there is much to be said in favor of a reasonable effort to repress competition, and that all competition is not alike in kind.

Savings Bank Decision.—The New York Court of Appeals recently decided that the State Controller, in imposing a one per cent. tax on the surplus and undivided profits of Savings banks under the so-called Odell law of 1901, must assess at the market value of the securities constituting the surplus when the same is quoted on the market below their par value.

The opinion of the court is written by Judge Haight, and is rendered in the case of the Bank for Savings of the City of New York. The court reverses the decision of the court below, and orders that the sum of $296,500 be deducted from the value of the surplus and undivided earnings of this bank. The State will lose a large amount of money in consequence of this decision upon assessments already made by the Controller.

THE GROWTH OF TRUST COMPANIES.

The great gain in the number of trust companies since 1892, in all parts of the country, is no doubt principally due to the increase of wealth and to the facilities which the trust principle affords for its conservation and increase.

The trust company in its most recent development seems to include the functions of a bank, a Savings bank, a surety company, and to some extent those of a legal adviser and advocate in financial matters. The commercial banks have for a long time complained that trust companies infringed on their field of profit, but perhaps they have no greater right to complain than will the Savings banks and the surety companies, if not now in the near future. The companies attract deposits already in rivalry with the Savings banks, and their custody and care of certain kinds of property would seem to have the effect of lessening the demand for certain kinds of insurance, among others of life insurance.

While this complaint of invaded business territory has some foundation, yet it is no doubt exaggerated. During the period of the growth of trust companies there has been a corresponding increase in the number and financial strength of the banks. A fair view of the matter seems to lead to the conclusion that the trust companies have grown in response to the opening of a new field for financial operations, which the banks with their limited powers and traditions of business were not calculated to fill, and perhaps never would have filled. The growth of the trust companies is analogous to the growth of the great private banking firms, which has not excited the same opposition from the other banks. The trust companies, by cultivating and developing this new field, have probably, if all the facts were fairly marshalled, really added to the business of the banks rather than taken from it.

As before remarked, the growth of trust companies has probably been chiefly due to the great increase in the wealth of the country, rendering the old methods for the conservation of estates, by agents, lawyers, executors, administrators, etc., inadequate. This field was always a very large one, and the trust companies are gradually filling and enlarging it as circumstances require.

Another cause of the growth of trust companies, however, is similar to that leading to the growth of Savings banks. As in the case of Savings banks, which although going under that name do not strictly adhere to the Savings bank principle, so trust companies, so-called, do not always adhere to the trust principle. In many of the States where the laws governing the formation of financial institutions are not well defined, it has been found easy to organize Savings banks which to all intents and purposes are commercial banks, with the added advantage of such protection from sudden demand which the Savings bank privilege of notice before payment gives them in emergencies. In the same way many who if they had not the example of the legitimate trust companies before them, would have become ordinary bankers, have seen the advantage of organizing as trust companies, seeing

that thereby they could really do a banking business with enlarged powers and fewer restrictions. The competition of these institutions, both Savings banks and trust companies, with banks previously organized was no more than would have been the case had they started simply as banks, except that they had certain superior advantages in establishing themselves. These composite organizations no doubt like the regular trust companies add something to the business of the plain commercial banks, though not to the same extent as the trust companies pure and simple. The trust companies, however, unlike the banking Savings banks, are more apt to decrease the proportion of their banking business as their trust business proper increases, until the banking business arrives at the limit which should properly be maintained by a trust company in connection with and as an aid to carrying on its trust business.

That many banks regard trust companies as aids to their own business would appear to be indicated by the fact that they affiliate with them, or are expressly interested in their organization for the purposes of affiliation.

The criticism made of the comparatively small reserves carried by the trust companies and the attempt to compel them by law to hold a certain definite percentage is not founded on a correct view of the nature of their business. No doubt some of them do such a banking business as for safety requires a cash reserve somewhat in proportion to that required to be held by country banks. Many of them, however, do not. Any hard-and-fast rule for all trust companies would not be equally just for all. Where such companies are under the supervision of a State official the fixing of reserves should be discretional with him after an examination of their business. The attitude of the clearing-house banks of New York city towards the companies in this respect has probably had a good effect, as it has called attention to this point. The results have shown that there is a wide difference between the companies in the valuation they place on that part of their business in which they compete with the banks. It seems to bear out the inference that as a company secures sufficient trust business, the banking business is only carried on to the extent necessary to facilitate and strengthen its trust operations. If the growth of trust companies continues as rapidly as it has in the last six or seven years, it is highly probable that competition among them may lead to the exercise of greater public investigations and more State control than is now insisted on in many States.

NEW COUNTERFEIT $20 SILVER CERTIFICATE.—Series of 1891; check letter, A; J. Fount Tillman, Register of the Treasury; D. N. Morgan, Treasurer of the United States; portrait of Daniel Manning.

A very poor zinc etching, printed on good quality paper. A few coarse blue ink lines are used to imitate the silk fiber of the genuine. The back of the note in hand is printed upside down. The work on this counterfeit is so crude that a more detailed description of the note is deemed unnecessary.

UNDISMAYED BY MICROBES.—A Health Board expert has found 135,000 bacteria upon a single banknote. At that rate a "large roll of the long green" must contain an appalling aggregate of germs. It is to be doubted, however, if many people will decline to take it, when they get a chance, on that account.—*N. Y. Tribune.*

TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.

CHAPTER IV.

THE FUNCTIONS OF TRUST COMPANIES.

The trust company of to-day performs a great variety of functions, some of which are peculiar to itself, while others are undertaken by other financial institutions. The most distinctive function of the trust company is undoubtedly that of acting as trustee for various purposes. Historically, this was the first kind of business, aside from insurance, that trust companies were authorized to undertake, and the legislation of those States that have laws on the subject indicates that the lawmakers had in mind such business as affording the essential reason for the chartering of these companies. With hardly an exception, the granting of other powers seems to have been intended by the framers of the laws as merely incidental to or helpful in the carrying out of duties as trustee.

The same intention is evident in the name "trust company"—*i. e.*, a company organized to accept and execute trusts. Webster defines a trust as "something committed to a person's care for use or management, and for which an account must be rendered." Blackstone defines it as meaning, in law, "An estate devised or granted in confidence that the devisee or grantee shall convey it, or dispose of the profits, at the will of or for the benefit of another; an estate held for the use of another." A trustee is a person or corporation to whom a trust is committed. With this in mind, it is not difficult to understand the theory of the trust company—simply a corporation empowered to undertake those special trusts of a business nature that men are apt to commit to others. This is the original and essential mission of the trust company.

Experience has demonstrated, however, that for the proper execution of such trusts the company is under the necessity of carrying on other lines of business which increase its usefulness as a trustee. Thus one function after another has been added, until to-day the trust company undertakes a great number and variety of duties which justify the descriptive name that has been applied to it of "the department store of finance."

Because of this diversity of functions, trust companies usually carry on their work in departments, the most common division being a threefold one—into banking, trust and safe-deposit departments. Often the banking department is subdivided into the savings and the commercial banking departments, and the trust department into two parts, of which one is devoted to trust business for corporations, and the other to trust business for individuals. The largest companies frequently have other departments than these, sometimes because the volume of business makes a further division advantageous, and sometimes because other lines of business are included. Among the other departments sometimes found are the bond (or investment) department;

the mortgage department; the transfer (or registration) department; the real-estate department; the reorganization department; the title-insurance and the fidelity insurance departments. Most companies make some special provisions for women, and some have a special woman's department.

If the word trustee be taken in its widest meaning, the greater part of the functions of the trust company might be included in a description of its duties as trustee. There are certain forms of trustee work, however, which occur so frequently that they have come to be referred to by special names, and it will be convenient to consider the various functions in the following groups:

Business as trustee or agent for individuals, under private agreement.
Probate business.
Investment business.
Real estate business.
Insolvency business.
Business as trustee or agent for corporations.
Business as transfer agent and registrar for corporations.
Corporation reorganization and financing.
Safe-deposit business.
Fidelity insurance and title insurance.
Savings and banking business.
Miscellaneous.

Nature and Variety of Individual Trusts.

The number and variety of trusts undertaken for individuals under private agreement is very great, and new forms of such trusts are being constantly created. They come from many different classes of people—from active business men who have some special matters that they do not care to handle for themselves; from teachers, artists, doctors, clergymen, women and others who feel that their inexperience or lack of time makes it wise to shift financial affairs to other shoulders; from persons whose poor health requires that they live in other climates and leave their business cares behind; from absentee property owners: from the aged, either too feeble to attend to active business or willing to take a well-earned rest; from persons planning to spend some time in travel and who must have a responsible agent to look after their affairs while away; and from others who, either from choice or from necessity, wish to avoid the care of their property either temporarily or permanently.

In such cases the trust company takes entire charge of the property, whether real or personal, or both, just as an individual acting in like capacity would do. It collects interest, coupons, dividends, annuities, pensions, and any other form of income, notes, accounts, bonds, mortgages, land contracts, etc.; if part of the property be real estate, it looks after repairs and improvements, sees that the property is kept rented, keeps up insurance, pays taxes, collects rents; it acts as attorney in fact, executes contracts, leases, deeds, etc. It remits or accumulates the income, reinvests the principal, as per the terms of the contract.

Married women place their separate estates in the hands of the company, either giving it the sole management or retaining such degree of control as they see fit.

It often happens that men wish to provide for wife or children or other dependents a fund which shall be beyond the reach of their creditors and safe from any unforeseen calamities that might befall the donor's estate, so that the beneficiaries may be assured of an income in any event. For such purposes they convey sufficient property to the trust company as trustee, with a definite contract as to the disposition to be made of the principal and income of same.

Similar trusts may be created in favor of benevolent or educational institutions or others to whom the donor wishes to give the income only of an endowment, without placing the latter under the control of the beneficiary. The trust company receives such funds, invests or reinvests the same from time to time as it becomes necessary, and applies the income as directed in the deed of trust.

Trusts may be created for the benefit of the one making the trust, either subject to his revocation at any time, or beyond his control. The young or inexperienced sometimes inherit estates, and suddenly find themselves in situations needing experience and wisdom beyond that which they possess. Occasionally persons in active business life find themselves disqualified through accident, sickness or other cause from caring for their business, and turn it over to the trust company.

Persons whose incomes are received at long intervals or at uncertain times may arrange with the trust company to have the incomes paid to them in equal monthly installments. If the security is ample, the company will sometimes make temporary advances if necessary.

Trust companies are sometimes called upon to act as agents for the payment of such regularly recurring items as premiums on insurance, taxes, etc. In some instances they have undertaken to care for burial lots and graves.

Persons who are to be away for a considerable time appoint the company custodian of valuable papers and securities. This function is of much greater importance than mere safe-keeping. While the owner is away, it may be of the greatest importance to get at the papers. Bonds may be called for redemption, the owner may wish to place the securities as collateral for a loan, coupons may become due, and the owner need the money for them.

Some trust companies do a considerable business in the handling of escrows. They act as temporary trustees of papers, money or other property placed in their hands by one party to be given to a second party upon the performance of a contract, the payment of a certain sum in money or the fulfillment of some other provision determined by the parties to the agreement.

Sometimes estates which have been improvidently managed are placed in the hands of trust companies in the hope that they may be freed from incumbrances and put upon an income-producing basis. In some notable cases the superior facilities of trust companies have enabled them to preserve and make valuable estates that would have been worthless in the hands of the owners.

A new field of business is now being taken up by the trust companies, in the form of trust agreements relating to life insurance. The policies are made payable, or assigned, to the trust company as trustee, and at the death of the assured the company collects the proceeds of the policies, of which it has meantime been the custodian, and applies such proceeds according to the

trust agreement. Many insurance companies do not write policies allowing stated payments to beneficiaries, and this plan therefore furnishes the opportunity not otherwise open for the insured to have such disposition made of the proceeds of his insurance.

Trust agreements are also made by which beneficiaries may be paid stated annuities out of the proceeds of life-insurance policies. This arrangement is specially valuable where a man is not able to carry an amount of insurance such that the income alone will support the family. The trust company can so invest the proceeds that a small portion of the principal may be used each year while the balance is kept profitably invested. The fund may thus be made to provide a sufficient income during the probable life of the widow or during the minority of the children. One of the leading companies of the central States advertises that by this plan it is possible to pay an annuity of $500 for forty years out of $10,000 insurance, of $1,000 for forty years out of $20,000 insurance, etc.

It is customary in appointing the trust company trustee to have the fees of the company made a part of the contract, and it may thus be known in advance just how much the expense will be.

While the trust company is a corporation, it has usually succeeded on account of its wide powers and the character of the men in control in maintaining a degree of *personality* which adds to its attractiveness to customers. The confidential nature of many of its duties brings it into close touch with those whose affairs it handles.

It is customary for trust companies to keep all trust funds entirely separate from their general assets; and, indeed, this is required by law in many States. This means that in case of the failure of the company the funds belonging to a particular trust cannot be mingled with the general assets of the company nor levied upon in any way by the creditors of the company. In addition to this, the trust becomes, in case its funds are not intact, a creditor of the company, protected as are its other creditors by its general assets. Trust funds are thus doubly safeguarded.

Securities and other property held in trust stand in the name of the company as trustee (etc.) for So-and-so, and thus show on their face that they are not the property of the company.

PROBATE BUSINESS.

The statutes of many States give to trust companies the power to accept and execute duties entrusted to it by will or by appointment of court as administrator, etc. In such capacities the company has the same powers and duties that an individual would have if acting in the same capacity. The manifest advantages which the trust company has over an individual for the performance of such trusts are steadily drawing to it a large portion of this business; and it is safe to prophesy that it will ultimately become the usual practice to entrust the execution of wills and the administration of the estates of the dead to trust companies rather than to individuals.

Business of this kind includes services as executor, administrator, trustee, guardian, committee, conservator.

An executor is a person appointed by the testator in his will to take charge of his estate and dispose of it as directed in the will.

An administrator is an officer appointed by the court having such juris-

diction in the several States to take charge of the estate of one who dies without leaving a will, and to dispose of the same in accordance with the inheritance laws of the State.

An administrator-with-the-will-annexed is appointed by the court to take charge of the estate of a deceased person when no executor has been named in the will, or when the executor named refuses to act or dies.

Acting in any one of these capacities, the trust company assumes entire charge of the estate, subject to the supervision of the court, and after a period varying in the several States, but usually eighteen or twenty-four months, makes a final distribution according to the terms of the will or the laws of inheritance, as the case may be, and files with the proper public official an itemized statement of all receipts and expenditures under the trust.

In winding up the affairs of an estate, the executor or administrator frequently finds it necessary to turn a portion of it over to a trustee appointed to manage it for the beneficiaries or to a guardian appointed to look after the estate (and in some States the person) of heirs who are minors, or to a committee or conservator appointed to have charge of an estate for heirs who are insane, idiots, habitual drunkards, spendthrifts or incapable for any reason of looking after their own affairs. In any of these capacities the trust company may act, and it often happens that a given company acting as executor turns over a part of the estate to itself as trustee, guardian, etc., thus gaining for the estate the advantage of continuous management by the same trustee. It may also receive such trusts from other executors or administrators, whether individuals or trust companies.

In any of these capacities the trust company may, and often does, act in conjunction with individuals appointed to share the responsibility with it.

In probate business of all kinds the company is accountable to the court for the faithful performance of its duties, and must render complete statements, which become part of the public records. The fees charged do not exceed those of individuals acting in similar capacities, and often are much less. The laws of the several States specify the fees allowed to executors, administrators, etc.

It is a common practice among trust companies to tender the services of its officers for the drawing of wills, and to act as custodian of wills until the death of the testator, when it files the will with the proper court; all these services being performed without charge in cases where the company is appointed executor.

Testamentary trusts may be created for any lawful purpose. In acting as trustee under appointment by will, the duties of trust companies do not differ materially from their duties when acting in the same capacity under appointment by private agreement. In any probate capacity it may be necessary to make advances of money in order to save the estate, and this the trust company will do if the circumstances justify it.

Trust companies are generally legal depositories for others acting as executors, administrators, guardians, etc., and for court funds.

The officer making such deposits with a trust company is, in most States, relieved from any responsibility in case of the loss of the funds through the failure of the trust company. He usually cannot escape this responsibility in case the funds are in his own keeping or deposited with an ordinary bank.

By the appointment of a trust company as agent or trustee during one's

life, and its selection as executor and trustee under will, the trustee work of a family may be kept in the same hands from generation to generation.

INVESTMENT BUSINESS.

In the performance of its other trust work of various kinds, the trust company is often called upon to invest or reinvest trust funds in securities that are safe and that yield as great returns as are consistent with safety. In addition to such demands, and to its needs for the investment of its own funds, many companies find so great a field for dealings in high-grade securities as to justify the establishment of a bond or investment department to handle such business. The operations of this department aside from its use for the customers of the other departments, do not as a rule differ greatly from those of a first-class bond house that deals exclusively in high-grade securities.

The business of this department touches that of the trust department at many points. Trust funds must be invested as soon as possible after being received. Reinvestments must be made from time to time, for mortgages become due and are paid, bonds mature or are called in for redemption, and the funds thus set free must not be allowed to remain as mere deposits too long, although interest at regular savings rates are allowed on such funds during the interim. The large trust company has excellent facilities for this service. The amount of securities that it must purchase for various interests is so great that it can buy on the best terms, and its opportunities for accurate and immediate knowledge of the securities market are of the best. Often one of its trust estates needs to dispose of securities at the same time that another needs to buy. A large mortgage is often divided among several estates.

Special forms of investment are provided by some companies, the most common form being in the way of bonds secured by real estate mortgages. The company loans on mortgages, sometimes exclusively on property located in its own city, sometimes on property in several carefully selected cities. The amount loaned varies from forty to sixty per cent. of the appraised value of the property. The protection of title insurance and fire insurance policies is added. The company then issues a series of bonds secured by these mortgages, deposits the latter in trust with some other company, and replaces each mortgage as it matures or is paid by another mortgage for like amount, keeping the total of live mortgages always equal to or greater than the total of the series of bonds. The bonds usually bear four per cent. interest.

Instead of issuing bonds, some companies simply sell the mortgages, giving the purchaser the benefit of the company's experience and judgment in the selection of the mortgages, but assuming no responsibility for the payment of same. Such companies sometimes have allied institutions which will guarantee the payment of the mortgages for a small fee.

Some companies handle investments for customers under investment deposit agreements. The aggregate of the deposits received for such purpose is invested in securities selected by the company's trust committee, and these are held in trust for the depositors, each owning an interest in same determined by the ratio that his deposit bears to the total sum so invested. The income is collected by the company, and the net amount after deducting its fees is remitted pro rata to the depositors at stated intervals.

Customers may purchase securities outright, as they would of any dealer. Or they may appoint the company agent for the investment of moneys, and for the care of securities and the collection of income on same. Savings depositors whose savings have accumulated to a sufficient amount frequently take advantage of the opportunity thus afforded to increase the earnings on their money.

Investments may stand in the name of the company as trustee, thus securing a privacy to their investments which many customers consider an advantage.

Real-Estate Business.

Reference has already been made to the services that trust companies render in the care of real estate committed to their charge by private agreement or by will or by appointment of court. The equipment which the company has to maintain in order to do such work satisfactorily often places it in an advantageous position for undertaking a general real-estate agency business. It engages in the purchase and sale and renting of real estate, improved or unimproved, on commission. Like other departments of its work, this business is frequently of great use to its trust department. Many trust estates have rentable property for which the company must find tenants. Sometimes trust agreements provide that a portion of the funds of the trust must be invested in real estate.

The company is often of assistance to prospective buyers who wish to borrow money in order to complete a purchase of real estate. Its experience and reliability cause it to be called upon to act as appraiser of real property.

Clay Herrick.

(To be continued.)

AMERICAN BANKERS' ASSOCIATION.

Meeting of the Executive Council.

A meeting of the Executive Council of the American Bankers' Association will be held in New York city, Wednesday, April 27 and Thursday, April 28.

It is expected that in addition to hearing reports from committees, the question of bank money orders will be considered at this meeting. The council will also designate the place and time for holding the next annual convention.

Striking Facts about American Railroads.—There are 204 000 miles of railroad in the United States owned by companies having a total capitalization of more than $12,000,000,000, par value, affording livelihood to 5,000,000 of persons (employees and their families) and distributing $15,685,950 in dividends to owners and $610,713,701 in wages. These railroads are nominally controlled by 2,000 corporations, of which about 1,015 are operating companies.—*The World's Work.*

The First Great Financier.—According to Geo. H. Daniels, General Passenger Agent of the New York Central Railway, Noah was the greatest financier that ever lived, having floated the largest amount of stock ever heard of at a time when the world was threatened with universal liquidation.

CHARLES N. CHADWICK, A.M.

THE RELATIONS OF LABOR AND CAPITAL.

[In the opinion of many bankers and others the present relations between labor and capital are a menace to the continued prosperity of the country. Believing that a full discussion of the subject will tend to a right settlement of existing difficulties, THE BANKERS' MAGAZINE has secured a number of special articles from representatives of both sides of the controversy. The first article, published in the November issue of the MAGAZINE, was contributed by David M. Parry, President of the National Association of Manufacturers; also President of the Citizens' Industrial Association of America, recently organized. In the December issue the views of Samuel Gompers, President of the American Federation of Labor, were presented. Ralph M. Easley, Chairman of the Executive Council of the National Civic Federation, contributed a paper to the February number. Charles N. Chadwick, Chairman of the Committee on Labor and Capital, of the Manufacturers' Association of New York, continues the discussion in an interesting way in this number.]

THE CAPITAL AND LABOR PROBLEM.

[By CHARLES N. CHADWICK, M. A., Chairman Committee on Capital and Labor, Manufacturers' Association, of New York.]

The terms capital and labor must be understood to mean combinations of capital and combinations of labor in their restraint of trade. In other words, they relate to the industrial situation of the country; and the question must be viewed as a whole, not from the standpoint of capital alone, nor from the standpoint of labor, but from the standpoint of the body politic.

Capital and labor, as such, are instruments in the development of the industrial resources of the country ; good and proper instruments and capable of doing good work, if handled understandingly, wisely and well ; but destructive instruments when used by an ignorant, careless and indifferent hand.

COMBINATION OF CAPITAL.

The history of the combination of capital is of interest and may be stated in a few words. The trust first came into existence about 1882. At that time there were a number of petroleum refining corporations that were in active competition, and the profits accruing to such were infinitesimal. In order to adjust their differences and be in a position to make money, they adopted the plan which has since come into existence ; that is, that the majority of the stock of the competitive corporations should be given to a trust, and that trust, by reason of the fact of controlling the stock of individual combinations, was then in a position to control all the corporations, from which came the Standard Oil Trust with the control of the petroleum of the country : then came the Sugar Trust, the Beef Trust, the Salt Trust, the Steel Trust, and all the trusts we have based upon this plan of organization.

In order to secure control of the market, different plans have been adopted by these trusts, methods of underselling, reducing prices, refusing to sell to a merchant because he was using the goods of a competitor, and so on. The

object was to secure the control of the market, and the result is that practicably the market has been so controlled.

The tendency to consolidation and centralization of power is marked and rapid. From the trust, or combination of individual firms, through various stages of consolidation, pooling and lease, we now have what is known as the holding corporation, organized to acquire and hold stock. It does not deal in stocks, it holds them, and is an effective method of controlling several corporations. It can perpetuate control of corporations through the minimum expenditure of capital for maximum control. In other words, it controls the company which controls the corporation, and the flower of this plant is the controlling director, as destructive a force to the industrial world as the walking delegate of the trades union.

Monopoly Contrary to Public Policy.

This monopoly or centralization of business in the hands of a few is against the public policy of the State, of the statutes and of the judicial decisions.

The particular evil flowing from this rapid, evasive and changeable form of combination of capital from corporations through trusts into holding corporations is the tendency to the destruction of free institutions, and is repugnant to the instincts of a free people, and contrary to the whole scope and spirit of the Federal Constitution. It is doubtful if free government can exist in a country where such enormous amounts of money are allowed to be accumulated, to be held and to be used by the few against the interests of the many. It is destructive to the fundamental rights of the individual and to that free competition which is the life of business.

"The rights and liberties of Englishmen," says Blackstone, "consist primarily in the free enjoyment of personal security, of personal liberty and of private property. So long as these remain inviolate, the individual is perfectly free. To preserve these from violation, it is necessary that the law be supported in its full vigor. Ignorance and neglect of the points whereon they are founded lead to faction and licentiousness on the one hand, or a pusillanimous indifference and criminal submission on the other." And Chief Justice Waite said: "that civil rights were not created by the Constitution; that instrument assumes their existence." Civil rights are the inherent birthright of humanity.

The Constitution of the United States provides that Congress shall have power to regulate affairs with foreign nations and among the several States, and that no person shall be deprived of life, liberty or property without due process of law, nor shall private property be taken without just compensation.

Under the provisions of this enactment, the Inter-State Commerce Act, or the Sherman Act, was made law to protect trade and commerce against unlawful restraints and monopolies; and that trade and commerce (between the States and with foreign countries) within the jurisdiction of the Federal Government should be absolutely free, and no contract or combinations will be tolerated which impede or restrict their natural flow and volume.

The decisions of the courts have interpreted this act to mean not only the transportation of freight between the States, as well as persons and property, but also the processes and instrumentalities involved, and contracts and

agreements made, not only by combinations of capital, but also by combinations of labor in restraint of trade—to be in violation of the Constitution of the United States, thereby furnishing the means whereby commerce may be controlled. Hundreds of decisions of the courts during the last few years have crystallized this principle into law. No device of the trust for the purpose of circumventing the law can be made effectual. The power of the State to make, ordain and establish all manner of wholesome and reasonable laws, statutes and ordinances, is adequate, and wild-cat corporating, like wild-cat banking during the early history of our country, can be domesticated under Federal supervision and control. Quasi-public corporations can be made to be rid of the water in their stock and to be put on a sound financial footing, and the public thereby be protected, not only in the investment of stock, but also be benefited by the proper operation of public franchises, and the evils of B. R. T.-ism be eliminated.

The shortsightedness flowing from the greed and avarice of capitalistic monopolies has, on the other hand, encouraged labor organizations of various kinds throughout the country to come into existence and adopt various methods of organization, some responsible and some irresponsible, in the attempt to create another great monopoly to secure the control of that monopoly which has already been brought into existence through and by means of capital.

Combinations of capital have sought to secure their ends through finesse, evasion of the law and intellectual acumen, while combinations of labor, on the other hand, are seeking to secure their ends through physical violence and the application of brute force.

Methods of the Labor Unions.

Unionism claims the right to dictate to the employer regarding the matter of employees. It declares that non-unionism shall have no place in the field of labor. It asserts that the non-unionist secures the benefits of all that is accomplished by organization, but pays nothing and contributes nothing for the welfare of the union. Therefore the non-union man should be deprived of the right to earn his living.

The Anthracite Coal Strike Commission declared that no person should be refused employment or be in any way discriminated against on account of membership or non-membership in any labor organization.

Under date of September 30, 1903, the executive council of the American Federation of Labor, Samuel Gompers, President, in an address to the Organized Labor Union of America, states : "That the right of the non-unionist to work when, where and how he pleases carries with it the logical right of the unionist to work or refuse to work when, where, for what he pleases and when he pleases." Will this claim of the Anthracite Commission and the admission of the American Federation of Labor stand against the order of the walking delegate ?

It is not necessary to go into the evils growing out of the misuse of power by labor organizations. The daily newspaper records the daily history of outbreaks, violence and disorder.

If the labor union is to solve within itself the problem of labor, it must take into consideration two facts: first, that it has become a destructive force in the industrial world; and, second, that it might be a constructive force.

Intended through organization to secure amelioration in the conditions of the laboring class by means of higher wages and better hours, it has degenerated, except in some notable instances, into a great machine governed by a bureaucracy dominated and controlled by the walking delegate.

As a unit, it has found that it can control legislation, and, conscious of its power, it crushes obstacles with brute force. Unreasoning and unreasonable, it requires an immediate acquiescence to its demands. Incapable of sanity of judgment, it cannot view the problem as a whole, but sees in part and demands all.

The socialism of Germany, the anarchism of Russia, now being interpreted by the Southern European mind that does not understand the institutions of our country, is slowly but surely dominating the labor situation.

No longer the Puritan and Cavalier who founded this country and established its institutions upon settled convictions, are in control; no longer the sober common sense of the American character, at the front so long, is dominating. The new element that has come to us during the last twenty years seeks to substitute a socialistic labor organization for our civil government.

Strikes, direct or sympathetic, boycotts, unfair lists, picketings, bullying and blackmail are tools of force; while inferior, careless and indifferent work are the results of a standard whose measurement is the labor of the slave, and not the capacity of the free man. Greed and avarice of the grasping monopolist are elements of destruction; while a seared and weakened conscience is a fruitful cause of decay in business integrity.

These causes, added to an inordinate desire for wealth and power, now hold the American character in solution.

Is it not, then, high time with the passing of the walking delegate, to leave to him all things that work for destruction, and to turn the power of the labor union toward the construction of the industrial life of our great commonwealth? The thinking minds of the labor union, the men of courage and conviction, must come to the front and take upon themselves the burden of responsibility.

Immigration and Education.

Two phases of the situation demand immediate consideration; they are the question of immigration and of education. New races are coming into our country, exceedingly difficult to assimilate and to educate; and, until that which is here is assimilated and educated, a check should be placed upon further immigration. The Congress must understand that a serious mistake was made when the educational clause was eliminated from the immigration bill. The annual report of Commissioner Sargent shows that 920,000 immigrants came into this country during the last fiscal year, of whom 230,000 were Italians and 206,000 were from Austria-Hungary. Of these, 185,667 could neither read nor write. Congress should prepare and pass an immigration bill with a provision for an educational test, and a provision should be further added to the existing law for a medical examination of all would-be emigrants at the point of their emigration.

What the Labor Unions Should Do.

In the matter of education, the labor union should draw into its ranks the youth of the country. It should throw down the barriers and open the doors to all who desire to learn trades and become artisans. It should de-

vote its surplus funds to the establishment of training schools for these young men and women. It should insist upon it that boards of education should establish technical schools, so that the young women may be trained into a knowledge of the theory and practice of the trade that they have elected to pursue. No longer the guilds of the Middle Ages, with the apprentice, the journeyman and the master, can solve the problem of hand work. Machinery has changed the industrial condition of the country. The man who enters the shop to-day becomes attached to and is part of the machine, learning to do one thing well, but with no opportunity for learning the business as a whole. Therefore, he must obtain a knowledge of his trade beforehand in a school established for that purpose, and the certificate or diploma granted by such school should be sufficient to guarantee to him the right to practice his trade without fear of molestation. The diploma of the lawyer or of the doctor, with the license to practice his profession, is sufficient to insure to him the undisturbed practice of his profession, and no combination of professional unions of lawyers or doctors would be for a moment tolerated which insists that unless he joins this or that particular organization he cannot practice his profession. This same liberty should hold good for the carpenter, the engineer or the artisan, whatever his trade.

And particularly the labor union should take into consideration in its educational work the necessity for practical training schools in the technique of trades and arts. To-day, in almost all trades, specialization begins at once, and the result is a one-sided man incompetent except in that one thing in which he has been taught. Piece or section work makes this unavoidable, and, unless he has mastered the theory and practice of his trade before entering the shop, he never will. Hence the necessity for the all-around training of the artisan school. Will the labor union eliminate the walking delegate and turn its attention from the destruction of the industrial resources of the country to their upbuilding and reconstruction?

Responsibilities of Organized Labor.

There must be a constitutional solution of the industrial problem. The fact that labor unions are not incorporated does not necessarily prevent a jury from holding them responsible for injuries to a third party, when the injuries complained of are the result of the act for which the union is responsible, for the law will assume that where responsibility exists compensation be made, as stated in a recent decision of the United States Circuit Court of of Indiana.

Already one labor organization is suing another for damage, attempting to apply on this side of the Atlantic the principle of the pecuniary responsibility of labor organizations for illegal acts done by their agents or officers, which was established in England in the Taff Vale case.

This brings up the question of the incorporation of labor as a means of protection to the employer as well as to the employee in the performance of contracts entered into. It would appear from the recent decision of the courts, in actions being brought, such as that of the Hodcarriers' Union of Munice, Ind., against the Building-trades Council of that city for loss from a sympathetic strike, and that of the Anti-boycott Association to recover damages from individual members of labor organizations for acts of agents, that the principle of individual responsibility, whether acting through the

individual or through the association incorporated or not incorporated, exists, and therefore there is no legal necessity for incorporation.

Strikes and Their Settlement.

In seven years, it is stated that there have been 25,000 strikes reported to the Federation of Labor, involving something like 2,000,000 of members, superinduced by industrial and capitalistic corruption, with the public always the loser from the suspended production, interrupted trade and advanced prices.

Undoubtedly there are two methods which suggest themselves in the solution of the strike question.

One is by arbitration; not that form of compulsory arbitration which has been made a law in New Zealand and which some people have advocated in this country; but a voluntary arbitration arising from an open mind and an intellectual willingness to do the right thing when that shall be determined, together with a reasonable certainty of the acceptance of the judgment of the arbitrator, not only from the employer, but from the employee, or his representative, the unions, when the decision is against them.

The other is the peremptory enforcement of the law as it exists, holding the individual responsible for his own act or the act of his agent. When it is understood that the civic, State and national authorities are prepared to stand for the enforcement of law, arbitration or agreement with the individual, or organized bodies of individuals, will be made easy and possible; but it must be understood and enforced upon the minds of the people of this country that lawlessness is controllable; that responsibility exists somewhere with some one for every act done, and that the law must and will be enforced. Undoubtedly the tendency of the age is towards centralization and combination, whether of capital or of labor. The great danger of this tendency is the absorption of individualism into communism whose product is socialism, leading to decay and destruction of the body politic.

It must be recognized, however, on the other hand, that the census of 1900 shows, out of 29,000,000 wage-earners, only one-quarter of them, or 7,250,000, are engaged in what is known as organizable industries, of which one-fifth are in labor unions, or only about 2,000,000, practically one-fourteenth of the total wage-earners of the country. Their power, however, lies in organization, and it is because of this organization of employees and the evil which is done in their name that the employers and citizens of this country have been compelled to organize themselves into the Citizens' Industrial Association of America. This association is national in scope, but it is catholic as regards the interests represented. It admits employees as well as employers, and its fundamental purpose is to establish harmony between capital and labor. There is no injustice intended to employees by this association, which was organized with no other intent than to put down tumult and disorder, and uphold the constitutional right of every American citizen to work when, where and at what wage he chooses.

Laws Must Be Enforced.

Therefore, in the solution of the problem of capital and labor it is first necessary to enforce law and order. The country must be in a state of tranquillity and peace, the individual must be safe and in full possession of all

the rights which the Constitution gives him. Until this is assured, there can be no solution of the problem which is disrupting the industrial forces of this country through the misuse of the instruments of capital and labor. This done, the question of the cause of these evils may be taken up and solved.

The commerce clause of the Constitution points to the solution of the evils of combination of capital, and the liberty and public welfare clause of the Constitution points to the solution of the evils of combinations of labor.

Summary of Proposed Remedies.

The following suggestions are made:

First: That trades unions and concentration of capital are the natural product of a century of industrial evolution, and that they have accomplished much good.

Second: There should be no war of extermination upon trades unions because of abuses, any more than that there should be a war of extermination against joint-stock corporations and trusts because of abuses.

Third: There must be control, enforcement of laws and protection of life and property. The walking delegate, the monopolist and the subservient politician must be disposed of in regular order.

Fourth: The elimination of wild-cat corporating under State control and the substitution of Federal supervision and control. In the words of Judge Grosscup, of the United States Circuit Court, "It means that we must take our corporate policy from its five and forty masters and make of it a national policy; not a New York policy, not a New Jersey policy, not an Illinois policy, but an American policy."

Fifth: There must be publicity of corporate management.

Sixth: That combinations of capital, combinations of labor, or combinations of capital and labor in restraint of trade are alike reprehensible.

Seventh: Limiting the hours of labor, whether of brains or of the hand, is a matter for mutual agreement and of public sentiment, not a subject for arbitrary legislative enactment.

Eighth: The better regulation and control of immigration.

Ninth: The development of artisan schools, with a certificate or diploma as the right to practice a trade.

And lastly: Through study and discussion the American people will be led into a simple, healthy and normal life under the influence of brotherly love and kindness, and that therein is the hope for the Republic; but the right of franchise must be first appreciated and exercised and conscience awakened.

Demand for United States Money in Colombia.—For many months past there has been a great demand for United States money in Colombia, but since the the new law establishing the gold peso, of the same value as the United States gold dollar, as the monetary unit of Colombia went into effect (December 27), this demand for United States currency has become still greater, and to-day a large amount of pennies, nickels, dimes, quarters and dollars are a necessity. Considerable gold is in circulation, but more is needed. At the present time nearly all business transactions are based upon United States currency.—*Clair A. Orr, Consul, Barranquilla, Colombia.*

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

USURIOUS INTEREST PAID TO NATIONAL BANK—SECURITY TAKEN IN NAME OF PRESIDENT—FEDERAL AND STATE LAWS.

Supreme Court of the United States, December 7, 1903.

SCHUYLER NATIONAL BANK, ET AL. VS. JAMES GADSDEN, ET AL.

Where usurious interest is paid to a National bank, the transaction is governed by the laws of the United States, though the security is taken in the name of the President of the bank in his individual name.

In error to the Supreme Court of the State of Nebraska to review a judgment which affirmed a judgment of the district court of Dodge county of that State, allowing a recovery by way of set-off of usurious interest paid to a National bank.

This was an action brought in the district court of Nebraska to foreclose a mortgage. On August 8, 1890, George Thrush, being indebted to the Schuyler National Bank, for money then and theretofore lent, executed a note to the bank for the sum of $5,000, payable six months after date. As collateral security for the payment of this note, Thrush and his wife executed a note and mortgage for $5,000 to one Sumner, who was at that time the President of the bank. The collateral note and mortgage were delivered to the bank and by it retained. The note made to the bank was renewed by the bank from time to time, and various payments of interest and on account of the principal were made to the bank, the principal sum thereby being reduced in March, 1894, to $3,000. In that month and year a new note was executed to the bank for the principal sum then due and interest, in all, $3,229. No money dealings were had at any time between either Thrush and his wife and Sumner individually. Thrush and his wife in their answers pleaded many payments of usurious interest to the bank during a period of five years, and prayed that the amount of such payment might be deducted from the principal sum claimed by the bank to be due. The district court decided that as the transaction was one with a National bank it was governed by the laws of the United States, and, therefore, recovery by way of set-off of the usurious interest alleged to have been paid was refused. Recovery of the interest embraced in the claim of the bank was, however, denied, and judgment was entered only for the principal sum found to be due and owing to the bank. On appeal, the Supreme Court of Nebraska reversed the judgment of the district court in the particular just noticed, and remanded the cause with directions "to ascertain the amount of money advanced to Thrush

by the Schuyler National Bank, deduct therefrom all payments, whether of principal or interest, and award foreclosure for the remainder, if any."

Mr. Justice White: The question for decision is, Did the Supreme Court of Nebraska rightly decide that the controversy concerning usurious interest paid was to be governed by the statutes of Nebraska on that subject, and not by the laws of the United States on the same subject, as expressed in § 5198 of the Revised Statutes (U. S. Comp. Stat. 1901, p. 3493)?

We say this is the sole question, because it is undoubted that if the rights of the parties are to be determined by the laws of the United States, the ruling below was wrong. This results from the prior adjudications of this court, holding that where usurious interest has been paid to a National bank, the remedy afforded by § 5198 of the Revised Statutes (U. S. Comp. Stat. 1901, p. 3493), is exclusive, and is confined to an independent action to recover such usurious payments. (Haseltine vs. Central Nat. Bank, 183 U. S. 132, and cases cited.)

If, on the other hand, the controversy is governed by the local law of Nebraska, then the construction and application of that law made by the court of last resort of the State is binding.

In fact, this is not controverted and could not be since the Supreme Court of Nebraska conceded that if the contention as to usurious interest ought to be determined by the laws of the United States, the conclusion which the court reached was erroneous. That court, however, held that the rights of the parties were to be measured by the law of the State instead of the law of the United States, because the collateral mortgage was not made, *eo nomine*, to the bank, but to an individual. This view was deemed to be fortified by the suggestion that, as the collateral note was secured by mortgage on real estate, it could not, under the laws of the United States, have been lawfully made in favor of a National bank. The collateral note and mortgage, it was, therefore, intimated, must be assumed to have been executed to an individual to avoid the effect of the laws of the United States, and the consequent knowledge which would have been conveyed to the proper officers of the United States that the bank was violating the law.

The reasoning by which the judgment of the Supreme Court of Nebraska was controlled is, in our opinion, erroneous. The court did not hold that, because the collateral mortgage was taken in the name of an indvidual, it could not be enforced by the bank under the law of Nebraska, but simply held that, although it was enforceable by the bank, the remedy as to the usurious interest was governed exclusively by the State law, upon the theory that the transaction was not with the bank. But the usurious interest had all been paid, not to the individual upon the collateral note, but to the bank, upon the principal obligation held by it. It was this interest so paid to the bank on the principal note held by it which was in effect imputed so as to fix the amount due. The result of this was to treat the transaction as an individual one in order thereby to exclude the law of the United States, and then at once to treat it as a bank transaction for the purpose of ascertaining and imputing the sums of usurious interest which had been paid. This was to administer the rights of the parties upon distinct and wholly inconsistent theories. Either it was an individual transaction or it was not. It could not in reason have been at one and the same time both the transaction of the bank excluding the individual and a dealing between individuals excluding the

bank. As the usurious interest for which a remedy was afforded had been paid to the bank in dealings by the bank with its debtor, and as the necessary effect of the judgment below was to reduce the debt due to the bank by allowing the imputation of the sum of the usurious interest, we are of opinion that the controversy was governed by the laws of the United States, and not by the law of the State of Nebraska.

Nor do we think the suggestions made in the opinion of the court below respecting the power of a National bank under the laws of the United States to accept real estate security operate in any way to modify the conclusion we have just expressed. It is not contended that under the law of Nebraska an agent, acting in his own name, may not take security for the benefit of a principal, or that there is or could be any valid statute of the State of Nebraska discriminating against National banks, and depriving them of the benefit of transactions so consummated. This being true it follows that the taking of real estate security by the President of the bank in his individual name, for the benefit of the bank, was in legal effect but the taking of security by the bank itself.

Now, it is no longer open to controversy that the provisions of the statutes of the United States forbidding the taking of real estate security by a National bank for debt coincidentally contracted do not operate to make the security void, and thus enable the individual who has contracted with the bank to defeat recovery, but simply subjects the bank to be called to account by the Government for exceeding its powers.

In Logan County Nat. Bank vs. Townsend, 139 U. S. 67, the rule on this subject, as settled by the previous authorities, was thus stated by the court, speaking through Mr. Justice Harlan:

"In Union Nat. Bank vs. Matthews, 98 U. S. 621, it appeared that a National bank loaned money upon the security of a note and a deed of trust of lands, both of which were assigned to it. The statute declared that a National banking association could loan money 'on personal security,' and could purchase, hold, and convey real estate for certain named purposes, 'and for no others,' among which was not included the securing of a present loan of money by a deed of trust or mortgage on real property. The court while assuming that the statute, by clear implication forbade the bank from making a loan on real estate, refused to restrain the bank from enforcing the deed of trust. The decision went upon these grounds: That the bank parted with its money in good faith; that the question as to the violation of its charter by taking title to real estate for purposes unauthorized by law could be raised only by the Government in a direct proceeding for that purpose; and that it was not open to the plaintiff in that suit, who had contracted with the bank, to raise any such question in order to defeat the collection of the amount loaned. If any doubt existed as to the scope of the decision in that case it was removed by (National Bank vs. Whitney, 103 U. S. 99) where it was held that the right of a National bank to enforce a mortgage of real estate taken by it to secure indebtedness then existing, as well as future advances, could not be questioned by the debtor, and that a disregard by the bank of the provisions of the act of Congress upon that subject only laid the association open to proceedings by the Government for exercising powers not conferred by law."

It follows from the foregoing reasons that the Supreme Court of Nebraska

erroneously determined the rights of the parties by the rule of the State law, when it should have applied the law of the United States.

The judgment of the Supreme Court of Nebraska is reversed, and the cause is remanded for further proceedings not inconsistent with this opinion.

Mr. Justice Brown and Justice Brewer dissented.

COMMERCIAL PAPER TAKEN AS COLLATERAL SECURITY FOR ANTECEDENT DEBT.

Supreme Court of Kansas, January 9, 1904.

BIRKET vs. ELWARD.

An indorsee of a negotiable note taken as collateral security for a pre-existing debt, there being no extension of time of payment or other new consideration, except such as may be deemed to arise from the acceptance of the paper, is a holder for value and in due course of business, and, in the absence of any circumstances charging him with notice, is protected against a claim of payment made to the original payee.

This was an action upon a promissory note, made by John H. Elward and William A. R. Elward to the order of one Gilliam. Upon the trial plaintiff testified that he acquired the note April 28, 1896, at the time of making a loan of $2,000 to Gilliam, as collateral security for such loan.

The evidence of defendants showed that on May 25, 1896, the Elwards executed a new note and mortgage to Gilliam in consideration of the satisfaction of the old debt and an additional loan of $500; that the old papers were surrendered to John H. Elward, who placed them in a box, which he left in the custody of Gilliam; that on June 25, 1896, a release of the first mortgage, executed and acknowledged by Gilliam, was filed for record with the register of deeds. The amount due plaintiff from Gilliam was shown to be $814. The court instructed the jury that the only question for their determination was the date at which plaintiff acquired the note; that if he acquired it before June 25, 1896 (the date of the record of the satisfaction of the mortgage), he should recover; that otherwise the verdict should be for the defendants. The jury found specially that plaintiff acquired the note after that date, and judgment followed for the defendants.

MASON, *J.:* It is obvious that plaintiff could only recover on the theory that he was an innocent purchaser, and the sole question here involved, therefore, is whether one who takes commercial paper as collateral security for an existing debt, without an agreement for an extension of time or other new consideration, is ever entitled to protection as a *bona fide* holder. If so, the judgment must be reversed; otherwise it must be affirmed.

The rule in the Federal courts, as well as in those of England and Canada, is that the holder of a negotiable note taken as collateral security for a pre-existing debt is a holder for value in due course of business, and as such is protected against all latent equities of third parties. The State courts that have passed upon the question are in irreconcilable conflict. The cases are collected in 4 A. and E. Encycl. of L. (2d. Ed.) 290–293, and in 7 Cyc. 932–935. The lists there given indicate with substantial but not absolute correctness the line of cleavage. It is to be noted that in each of them Kansas is wrongly placed among the States that are committed to the rule stated, upon the strength, respectively, of the cases of Bank vs. Dakin, 54 Kan. 656, and

Best vs. Crall, 23 Kan. 482. While these cases have a tendency in that direction, they do not go the full length indicated.

In Bank vs. Dakin the note involved was transferred as collateral security for a debt created at the time of, and in reliance upon, such transfer, which was therefore supported by a new consideration, sufficient upon any theory of the law. In the opinion a number of cases are cited as supporting the proposition that even a pre-existing debt would afford a sufficient consideration for the purpose, and among them was included Best vs. Crall. In that case the collateral note was in fact transferred as security for a debt that already existed, but this was done pursuant to a promise made when such original debt was created, so that the effect was the same as though the transfer had actually been made at that time.

A careful examination of the cases cited in the lists referred to discloses that in the following States the rule of the Federal court has been adopted: California, Colorado, Connecticut, Georgia, Illinois, Indiana, Louisiana, Maryland, Massachusetts, Minnesota, Nevada, New Jersey, Rhode Island, South Carolina, Texas, Vermont and West Virginia. In California and Nevada the matter is affected by statutory provisions that the acceptance of the security forfeits a right to attach. Nebraska is also now committed to this doctrine. (Lashmett vs. Prall, 96 N. W. 152.) Such citations further show that in the following States the rule has been denied: Alabama, Arkansas, Iowa, Kentucky, Maine, Michigan, Mississippi, Missouri, New Hampshire, New York, North Dakota, Ohio, Pennsylvania, Tennessee, Virginia, Wisconsin. North Carolina also should now be placed in this list, but there, as well as in Tennessee and Virginia, the Legislature has lately changed the rule by statute. (See Brooks vs. Sullivan [N. C.] 39 S. E. 822; Bank of Charleston vs. Johnson [Tenn.] 59 S. W. 131; Norfolk Co. vs. Cox [Va.] 36 S. E. 380.)

In New York, in 1897, in a revision of the law of hegotiable instruments, it was enacted that "value is any consideration sufficient to support a simple contract. An antecedent or pre-existing debt constitutes value." It was held in Brewster vs. Shrader (Sup.) 57 N. Y. Supp. 606, that this statute changed the law as formerly administered in that State, and that under it "an indorsee of a note taken as collateral to a pre-existing indebtedness is a holder for value, unaffected by equities between the original parties." But in Sutherland vs. Mead (Sup.) 80 N. Y. Supp. 504, this was denied, and it was said that the new statute was purely declaratory. We do not discover that the New York Court of Appeals has passed upon the effect of this legislation.

What may fairly be called the minority doctrine originated in New York in Bay vs. Coddington, 5 Johns. Ch. 54, the opinion being written by Chancellor Kent. The leading case in this country on the majority side is Swift vs. Tyson, 16 Pet. 1, the opinion being written by Justice Story. It was there declared that one who took negotiable paper in payment of or as security for a pre existing debt was a holder for value and in due course of business, and the argument was made in support of that express proposition. But the reference to paper taken as security was not required by the facts of the case, and Justice Catron dissented on this ground.

In Railroad Co. vs. National Bank, 102 U. S. 14, the same reasoning was adopted and applied in a case where the transfer was made merely to secure an antecedent debt. The note there involved had several indorsers, and the obligation assumed by the last holder to give them notice of nonpayment

was treated as a part of the consideration of the transfer, but the decision did not turn upon this treatment. And in American File Co. vs. Garrett, 110 U. S. 288, the principle was applied where there were no prior indorsers. In the opinion in Railroad Co. vs. National Bank it was noted (citing 3 Kent's Commentaries, p. 81, note "b") that Chancellor Kent, after the decision in Swift vs. Tyson, indicated that he was inclined to concur in it, as the plainer and better doctrine. The Bay-Coddington Case and the Swift-Tyson Case are cited in almost every opinion in which the merits of the question under consideration are discussed, and the State courts have ordinarily taken sides upon the matter as the arguments of the one decision or the other have appealed to them with the greater force.

In the former case it is said: "It is the credit given to the paper, and the consideration *bona fide* paid on receiving it, that entitles the holder, on grounds of commercial policy, to such extraordinary protection, even in cases of the most palpable fraud. It is an exception to the general rule of law, and ought not to be carried beyond the necessity that created it." In the latter case it is said: "Receiving it [a negotiable instrument] in payment of or as security for a pre-existing debt is according to the known usual course of trade and business. And why, upon principle, should not a pre-existing debt be deemed such a valuable consideration? It is for the benefit and convenience of the commercial world to give as wide an extent as practicable to the credit and circulation of negotiable paper, that it may pass not only as security for new purchases and advances, made upon the transfer thereof, but also in payment of, and as security for, pre-existing debts. The creditor is thereby enabled to realize or to secure his debt, and thus may safely give a prolonged credit, or forbear from taking any legal steps to enforce his rights. The debtor also has the advantage of making his negotiable securities of equivalent value to cash. But establish the opposite conclusion, that negotiable paper cannot be applied in payment of or as security for pre-existing debts, without letting in all the equities between the original and antecedent parties, and the value and circulation of such securities must be essentially diminished, and the debtor driven to the embarrassment of making a sale thereof, often at a ruinous discount, to some third person, and then by circuity to apply the proceeds to the payment of his debts."

Among other arguments advanced in behalf of the majority view are that the question is really one of the law merchant—the custom of merchants—and that a "transfer by a debtor to his creditor of a negotiable instrument, to pay or only to secure a prior debt, makes the creditor a holder for value, by the custom" (Bigelow on Bills, Notes & Cheques, 247); that the creditor, in accepting a negotiable note, whether or not there are parties to be charged by notice, does undertake to exercise some degree of diligence (2 Randolph on Commercial Paper, § 804), thereby affording a new consideration, or at all events that he "is naturally lulled into security and inactivity by crediting the face of the note, and he should not be made to suffer by the maker for confidence which his own promise created" (1 Daniel on Neg. Inst. § 831a); that the true consideration for the transfer is the debt due from the indorser to the indorsee, and the obligation to pay or secure said debt; that such transfer is a sufficient consideration, because "security for the payment of a debt actually owing is a good consideration, and sufficient to support a transfer of property" (separate opinion of Justice Bradley in Railroad Co. vs.

Nat. Bank, *supra*). That the policy of the law is to facilitate the transfer of negotiable paper free of equities is illustrated by the fact that it is almost universally held that one who acquires it in payment of an antecedent debt is a *bona fide* holder (Draper vs. Cowles, 27 Kan. 484; 4 A. & E. Encycl. of L. [2d Ed.] 285), whereas the ordinary rule in reference to protection under recording acts is that one who accepts property in satisfaction of an existing debt is not an innocent purchaser (4 A. & E. Encycl. of L [2d Ed.] 490; Dolan vs. Van Demark, 35 Kan. 304; Henderson vs. Gibbs, 39 Kan. 680.)

Even where the New York doctrine is accepted, an exception is made against the plea of lack of consideration when made by an accommodation party to the paper transferred as security. (Grocers' Bank vs. Penfield, 69 N. Y. 502; Maitland vs. Citizens' Bank, 40 Md. 540; Smith vs. Wachob [Pa.] 36 Atl. 221.)

If the question were a new one, to be determined upon consideration of equitable principles, there would be strong reasons for holding that he who takes a note merely as security for an existing debt acquires no greater right than his debtor had. The reasons given in Mann vs. National Bank, 30 Kan. 412, for applying this rule to a bank that receives a note from a depositor, and adds the amount to his account, which is not overdrawn, would seem to apply to the case of one who receives the paper as collateral for an indebtedness already existing. He parts with nothing, and is in no worse situation than he was before. It requires no variation of usual procedure to save him from loss. But, on the other hand, the same arguments would reach the case of him who takes commercial paper in payment of an existing unsecured debt. He likewise is in no way placed in any worse situation than he was before, since, while the original debt may be regarded as technically canceled, he at all events has his remedy upon the collateral against the person from whom he received it, whatever defense might be available to the maker. He still has a valid claim against his original debtor, and that is all he had in the first place. (See Randolph on Commercial Paper, §§ 461–465.) Yet, as has just been said, one acquiring commercial paper under such circumstances is held to be protected as an innocent purchaser.

But the question before us is peculiarly one in which great weight should be given to the authorities, and especially to the decisions of the courts of the national government, which do not recognize any local law in such matters. (Oates vs. National Bank, 100 U. S. 239.) The question is one likely to arise frequently in transactions between inhabitants of different States. It is important that the law should be uniform in the different jurisdictions. It was doubtless in recognition of this consideration that the Legislatures of North Carolina, Tennessee, Virginia, and possibly New York, as already noted, have lately by statute brought their local law on the subject into harmony with the general law as administered by the Federal and by the greater number of the State courts. We prefer to hold, in accordance with the weight of authority, that an indorsee of negotiable paper taken as security for a pre-existing debt is a holder for value and in due course of business, and therefore, in the absence of any circumstances charging him with notice, is protected against a claim of payment made to the original payee.

It is to be noted that the petition in this case alleges that the note in question was indorsed by Gilliam to plaintiff. This statement was not denied

under oath, and was therefore not put in issue. The record shows that the note, with all indorsements, was offered in evidence as a part of plaintiff's deposition, but the purported copy does not show any indorsement. In the state of the pleadings, this is not material; but, of course, if the note was not actually indorsed by Gilliam, plaintiff was not in fact a *bona fide* holder.

The judgment is reversed, and the cause remanded for a new trial. All the Justices concurring.

PROMISSORY NOTE DISCOUNTED BY BANK—WHEN BANK HOLDER IN DUE COURSE—PAYMENT OF PART OF PROCEEDS BEFORE NOTICE OF INFIRMITY.

New York Supreme Court, Appellate Division, Third Department, March, 1904.

ALBANY COUNTY BANK vs. PEOPLE'S CO-OPERATIVE ICE COMPANY.

A bank is not the holder of a note in due course as defined by the Negotiable Instruments Law when the proceeds thereof are simply credited to the person from whom it was purchased and not paid out until the bank had notice of an infirmity in the instrument or defect in the title of the person from whom it was purchased.

A bank which purchases in due course of business a promissory note of the payee before maturity, placing the price thereof to his credit, and retains the same until after knowledge that there is an entire failure of consideration as between the maker and the payee, cannot subsequently give to the payee the proceeds of the note and retain the right to insist that it is a holder for value and protected from any defense existing between the maker and payeee.

This action was brought on a promissory note of which the following is a copy:

"NEW YORK, May 20, 1902.

$1000. Five months after date we promise to pay to the order of Edward McCabe one thousand dollars at Union Square Bank, N. Y., with interest, value received.

THE PEOPLE'S CO-OPERATIVE ICE CO.
S. MEHRBACH, *Pres't.*
S. C. BLAKE, *Treas.*"

There was no dispute about the execution of the note and its delivery to the payee. Edward McCabe, the payee, had been a regular customer of the plaintiff for eight or ten years. He kept an account at the bank and always had a balance to his credit. On October 16, four days before the note became due, McCabe, at plaintiff's bank, presented the note to the Cashier and asked him to discount it, and the note was accepted without further conversation and McCabe's account was credited with the amount of the note less sixty-eight cents discount.

When the note became due it was duly presented for payment at the Union Square Bank, N. Y., and payment demanded, which was refused, whereupon the note was duly protested for non-payment. On November 17 McCabe again called at the bank and produced another note exactly the same in every respect as the one previously discounted, except that it was payable six months after its date instead of five months after its date, and asked the Cashier to discount it, and such note was accepted without further conversation, and McCabe's account was credited with the amount less fifty-two cents discount.

On October 16, at the time the note was first discounted, McCabe had to his credit with the plaintiff $1,580.14. The amount placed to his credit on discounting said note was $1,024.32, making the amount to his credit with the plaintiff on that day $2,604.46. That amount remained without further

deposits and without any checks being paid therefrom until the day the second note was discounted. When the second note was discounted the amount placed to the credit of McCabe as the proceeds of such note was $1,029.48. On that day, whether before or after the credit of the second note does not appear, one check of $15 was paid by plaintiff. McCabe then had a balance of $3,618.94 to his credit. On October 29, 1902, the plaintiff sued the defendant-appellant and said McCabe on said first note.

The complaint alleged the making and delivery of the note, its presentation for payment, and that payment was refused. McCabe did not answer or appear in the action, but the defendant-appellant appeared in the action November 13, and served its answer December 11, 1902, and the answer of defendant-appellant admits the making and delivery of said note, and denies the other allegations of the complaint, and as a separate and distinct defense alleges in detail the making of an agreement in writing between the defendant-appellant and said Edward McCabe, and the giving by said defendant-appellant to said McCabe of seven notes of like date and form, payable one each month, commencing August 20, 1902, and ending February 20, 1903, and it further alleged with some detail the facts by which it claims that the consideration for the giving of said notes wholly failed. The note in suit is one of the seven notes so given. The deposit to the credit of McCabe in the plaintiff's bank of $3,618.94 remained therein without change on November 21, 1902. On December 30, 1902, McCabe had a balance to his credit with the plaintiff of $4,403.93. At the time of the trial McCabe did not have any money on deposit with the plaintiff, but when the same was drawn from the bank does not appear, and it does not appear whether McCabe drew any money from his account with the plaintiff between November 21, 1902, and December 30, 1902. At the time the note was discounted McCabe was not in any way indebted to the bank.

On the trial, it was conceded by defendant that it had no further testimony that it desired to produce relating to plaintiff's knowledge of the maker's defense to the note. At the time plaintiff discounted the note, the court refused to allow the defendant to produce testimony relating to its defense, and directed the jury to find a verdict in favor of the plaintiff for the amount of the note, with interest, and a verdict was found accordingly.

CHASE, *J.:* The question is presented by this appeal whether a bank which purchases in due course of business a promissory note of the payee therein named before maturity and places the purchase price thereof to the credit of such payee and retains the same until after knowledge that there is an entire failure of consideration for the note as between the maker and the payee thereof, can subsequently give to the payee the proceeds of the note and retain the right to insist that it is a holder for value and protected from any defense existing between said maker and payee.

The question is here free from any complication that may arise where such payee's account is an active one and the balance is materially changing from day to day. The evidence is undisputed that the proceeds of the note were deposited to the payee's account, and such proceeds of the note (excepting, perhaps, $15 thereof), and also a much larger amount remained on deposit with the plaintiff, not only until the note was dishonored, but until long after the plaintiff brought this action, and, so far as appears, until long after defendant's answer was served.

The Negotiable Instruments Law (chapter 612, Laws of 1897) provides:

"Section 96. A holder in due course holds the instrument free from any defect of title of prior parties and free from defenses available to prior parties among themselves, and may enforce payment of the instrument for the full amount thereof against all parties liable thereon.

Section 91. A holder in due course is a holder who has taken the instrument under the following conditions:

1. That it is complete and regular upon its face.

2. That he became the holder of it before it was overdue and without notice that it had been previously dishonored, if such was the fact.

3. That he took it in good faith and for value.

4. That at the time it was negotiated to him he had no notice of any infirmity in the instrument or defect in the title of the person negotiating it.

Section 51. Value is any consideration sufficient to support a simple contract.

Section 93. Where the transferee receives notice of any infirmity in the instrument or defect in the title of the person negotiating the same before he has paid the full amount agreed to be paid therefor, he will be deemed a holder in due course only to the extent of the amount theretofore paid by him."

A deposit by a bank of the proceeds of a note to the account of a customer is not of itself payment for the note. It is simply a promise by the bank to pay such proceeds to the customer by honoring his checks or drafts in the ordinary way pursued by banking institutions. The bank does not by such transaction transfer the title to any particular money to its customer. The bank becomes a debtor to the customer to the amount of such credit.

It is said by the Supreme Court of the United States in the New York County National Bank vs. Massey (U. S. N. Y. Law Journal, January 14, 1904):

"It cannot be denied that, except under special circumstances, or where there is a statute to the contrary, a deposit of money upon general account with a bank creates the relation of debtor and creditor. The money deposited becomes a part of the general fund of the bank, to be dealt with by it as other moneys, to be lent to customers and parted with at the will of the bank, and the right of the depositor is to have this debt repaid in whole or in part by honoring checks drawn against the deposit. It creates an ordinary debt, not a privilege or right of fiduciary character (Bank of the Republic vs. Millard, 10 Wall. 152)." Or, as is defined by Mr. Justice White in the case of Davis vs. Elmira Savings Bank (161 U. S. 288): "The deposit of money by a customer with his banker is one of loan, with the superadded obligation that the money is to be paid, when demanded by a check" (Stanley vs. Kimball's Assignee, 92 U. S. 369).

The Court of Appeals, in Ætna National Bank vs. Fourth National Bank (46 N. Y. 82), say: "The relation of banker and customer in respect to deposits is that of debtor and creditor. When deposits are received they belong to the bank as part of its general funds, and the banker becomes the debtor to the depositor and agrees to discharge the indebtedness by paying the checks of the depositor. his creditor. The contract between the parties is purely legal, and has no element of a trust in it."

The rights of parties where a note has been discounted by a bank and the

proceeds credited on the books of the bank to the person from whom it was purchased have been repeatedly stated by text writers and by the court, from some of whom we quote as follows: Daniel on Negotiable Instruments, 5th ed., at section 779 b, says: "The apparent purchase must have been a purchase in fact, and not a mere bookkeeping entry. Mere discount and credit do not, of themselves, constitute a *bona fide* purchaser for value. To occupy that position the holder must actually have parted with something of value for the note. Thus, where a bank discounted a note for a company and credited it with the amount, the credit, on account of other deposits, subsequently increasing so that at the time of suit on the note the bank had actually paid nothing for it, it was held not a purchaser for value, and that its remedy was to tender the note back to the company, and cancel the credit."

In Eaton and Gilbert on Commercial Paper (p. 306) it is said: "A bank by merely discounting a bill or note and placing the proceeds to the credit of the payee does not become a holder for value, but when the bank on the strength of such credit has relinquished securities in its possession or made advances to, or paid the checks of, the payee, it becomes a holder for value."

In Cyclopedia of Law and Procedure (vol. 7, 929) it is said: "While the authorities are not entirely uniform upon the subject, it is fairly well settled that a bank, by discounting negotiable paper, placing the same to the credit of the depositor, and honoring his checks or drafts, surrendering to him securities, or in some other manner making advances and extending its credit on the faith of such deposit, thereby becomes a holder for value. But the mere discounting and crediting of the amount on the depositor's account without making payment or incurring any increased obligation or liabilities is not sufficient."

In American and English Ency. of Law (vol. 4, 208) it is said: "Where a bank discounts paper for a depositor who is not in its debt and gives him credit upon its book for the proceeds of such paper, it is not a *bona fide* holder for value, so as to be protected against infirmities in the paper, unless in addition to the mere fact of crediting the depositor with the proceeds of the paper some other and valuable consideration passes. Such transaction simply creates the relation of debtor and creditor between the bank and the depositor; and so long as that relation continues and the deposit is not drawn out the bank is held subject to the equities of prior parties even though the paper has been taken before maturity and without notice."

In Thompson vs. Sioux Falls National Bank (150 U. S. 23) it is said: "The mere credit of a check upon the books of a bank which may be canceled at any time does not make the bank a *bona fide* purchaser for value. If after such credit and before payment for value upon the faith thereof the holder received notice of the invalidity of the check he cannot become a *bona fide* holder by subsequent payment."

In Central National Bank vs. Valentine (18 Hun, 419) the court say: "The plaintiff by its President discounted the notes and gave the makers credit on the books of the bank for the amount, no money was actually paid, or thing of value parted with by the plaintiff, upon the strength of the indorsement or the discount. Under such circumstances the plaintiff cannot be regarded the *bona fide* holder of said notes for value as we understand the law as settled by the adjudications upon that question. The mere giving of credit by entering the amount on the books, and not actually parting with a dollar

upon the strength of the indorsement, cannot be regarded parting with value in the sense which the law contemplates. The parties in whose favor the credit was given might never draw or appropriate any portion of the funds."

In Dykman vs. Northbridge (80 Hun, 258) the court cited Central National Bank vs. Valentine (supra), and, referring to the facts in the case before it, said: "The bank could not become a holder for value of the note by crediting its amount to the Cashier. Unless he received the money as an individual and not as Cashier the bank parted with nothing as a consideration for the note."

In the Sixth National Bank of New York vs. Lorillard Brick Works Co. (46 N. Y. St. Report, 235) the court, referring to a note that had been discounted and the proceeds credited to the payee on the books of the bank, say: "The plaintiff must have actually paid out and parted with the proceeds of the discount before it could acquire an indisputable title thereto."

In Clarke National Bank vs. Bank of Albion (52 Barb. 592) the court, referring to a check purchased by plaintiff of Ward & Bro., say: "The credit of the avails of the check to Ward & Bro. on the books of the bank was in no sense a paying over. The sum agreed upon as the price of the check was not by that act parted with and placed beyond the control of the plaintiff. * * * The plaintiff upon receiving notice of dishonor had an undoubted right to erase the credit as it did, and restore it only at the special instance of Ward & Bro. No argument can prove that the bank had prior to notice of dishonor parted with value for this check."

From the authorities quoted it will be seen that a bank is not a holder of a note in due course, as defined by the Negotiable Instruments Law, when the proceeds of the note are simply credited to the person from whom it was purchased, and not paid out until the bank had notice of an infirmity in the instrument or defect in the title of the person from whom the note was purchased. Section 93 of the Negotiable Instruments Law seems to be declaratory of the law as uniformly stated in the decisions of this and other States. If it is conceded that the plaintiff had notice of an infirmity in the instrument in suit, or of defect in the title of McCabe thereto, before it paid out the full amount agreed to be paid therefor, the defendant-appellant was entitled to give evidence of its defense by the express terms of the statute.

The effect of notice of dishonor of a note is stated in Daniel on Negotiable Instruments (5th ed., sec. 782), as follows: "If it were not paid at maturity it is then considered as dishonored; and, although still transferable in like manner and form as before, yet the fact of its dishonor, which is apparent from its face, is equivalent to notice to the holder that he takes it subject to its infirmities, and can acquire no better title than his transferrer. The doctrine applicable to this subject has been admirably stated by Chief Justice Shaw, who says: 'Where a negotiable note is found in circulation after it is due it carries suspicion on the face of it. The question instantly arises, why is it in circulation? Why is it not paid? Here is something wrong. Therefore, although it does not give the indorsee notice of any specific matter of defense, such as set-off, payment, or fraudulent accusation, yet it puts him on inquiry; he takes only such title as the indorser himself has, and subject to any defense which might be made if the suit were brought by the indorser.'"

Whether notice of dishonor of a note is alone sufficient in all cases to con-

stitute notice of an infirmity in the instrument, or defect in title of the person negotiating the same, is not necessary now to determine. The facts before the court when it refused to allow the defendant-appellant to produce evidence relating to its defense were such that the evidence should have been received.

The judgment should be reversed and a new trial granted, with costs to the appellant to abide the event.

All concur.

NATIONAL BANKS—ASSESSMENT TO RESTORE IMPAIRED CAPITAL—BY WHOM TO BE MADE.

Supreme Court of the United States, January 18, 1904.

COMMERCIAL NATIONAL BANK OF PORTLAND vs. WEINHARD.
COMMERCIAL NATIONAL BANK OF PORTLAND vs. WILLIAMS.

The directors of a National bank have no power to levy an assessment upon the stock for the purpose of restoring impaired capital, but such assessment must be made by the stockholders.

In error to the Supreme Court of Oregon.

These actions were brought by Henry Weinhard and George H. Williams against the Commercial National Bank, of Portland, Oregon, to recover the value of certain shares of the stock of such bank owned by them and sold by the bank for failure of the holders to pay an assessment thereon.

The capital stock of the bank having become impaired, the Comptroller of the Currency directed that an assessment of $250,000 be made upon the stock, or that the bank go into liquidation. After the receipt of this notice the directors of the bank made an assessment of $50 per share, and notice thereof was served upon the stockholders. Weinhard and Williams failed to pay the assessment of the stock owned by them, and it was sold for the amount of the assessment. Their contention, which was sustained by the State courts, was that the directors in thus assessing and selling the stock exceeded their powers.

Mr. Justice DAY delivered the opinion of the court:

This case requires the construction of § 5205 of the Revised Statutes of the United States as amended (U. S. Comp. Stat. 1901, p. 3495). The section is as follows:

"Every association which shall have failed to pay up its capital stock, as required by law, and every association whose capital stock shall have become impaired by losses or otherwise, shall within three months after receiving notice thereof from the Comptroller of the Currency, pay the deficiency in the capital stock, by assessment upon the shareholders *pro rata* for the amount of capital stock held by each; and the Treasurer of the United States shall withhold the interest upon all bonds held by him in trust for any such association, upon notification from the Comptroller of the Currency, until otherwise notified by him. If any such association shall fail to pay up its capital stock, and shall refuse to go into liquidation, as provided by law, for three months after receiving notice from the Comptroller, a Receiver may be appointed to close up the business of the association, according to the provisions of section fifty-two hundred and thirty-four (U. S. Comp. Stat. 1901, p. 3507). [And provided, That if any shareholder or shareholders of such bank shall neglect or refuse, after three months' notice, to pay the assessment, as

provided in this section, it shall be the duty of the board of directors to cause a sufficient amount of the capital stock of such shareholder or shareholders to be sold at public auction (after thirty days' notice shall be given by posting such notice of sale in the office of the bank, and by publishing such notice in a newspaper of the city or town in which the bank is located, or in a newspaper published nearest thereto) to make good the deficiency, and the balance, if any, shall be returned to such delinquent shareholder or shareholders.]"

The assessment in this case was made by the board of directors without any action of the stockholders of the association, and the defendants in error having failed to pay the same upon notice, their stock was sold as directed in the statute. It is claimed that an assessment by the directors without action of the stockholders was without authority of law, and amounted to a conversion of the stock. This view was sustained in the Supreme Court of Oregon. The assessment ordered by the Comptroller was for the purpose of restoring the capital of the bank and thus enabling it to continue its business. Ample power is conferred upon the Comptroller for this purpose. His action is in aid of other sections of the law preventing a withdrawal of the capital, or the making of dividends when losses have been sustained equal to the undivided profits. (Sections 5202–5204, Rev. Stat. U. S. Comp. Stat. 1901, pp. 3494–3495.) When the notice is received from the Comptroller by the bank under § 5205, the association has no authority to review or gainsay the necessity thereof. That question is concluded by the action of the Comptroller. The money to be raised for the continuance of the business may or may not be used in the liquidation of debts. The assessment is entirely different from that provided for in § 5151 (U. S. Comp. Stat. 1901, p. 3465) calling upon the individual responsibility of shareholders for the payment of debts. Under the last-named section the stockholder is required to pay such assessments as may be made, to meet the outstanding obligations of the bank, within the limit of an amount equal to the par value of the stock in addition to the amount invested therein. He has no election of payment, but is required to meet this liability, created by law for the benefit of creditors. Under § 5205 the amount paid is subject to the control of the board of directors in the continued operations of the bank. If the stockholders are to have a voice in making or declining to make the assessment, they may well hesitate to intrust more capital to the control of a board under whose management it has already been impaired. Certain powers are conferred by law upon the directors.

Section 5136 (U. S. Comp. Stat. 1901, p. 3455) provides that the association shall have power—

"Sixth. To prescribe, by its board of directors, by-laws not inconsistent with law, regulating the manner in which its stock shall be transferred, its directors elected or appointed, its officers appointed, its property transferred, its general business conducted, and the privileges granted to it by law exercised and enjoyed.

Seventh. To exercise, by its board of directors, or duly authorized officers or agents, subject to law, all such incidental powers as shall be necessary to carry on the business of banking; by discounting and negotiating promissory notes, drafts, bills of exchange, and other evidences of debt; by receiving deposits; by buying and selling exchange, coin and bullion; by

loaning money on personal security; and by obtaining, issuing, and circulating notes according to the provisions of this title."

And, again, by § 5145 (U. S. Comp. Stat. 1901, p. 3463) it is declared that the "affairs" of the corporation "shall be managed by not less than five directors."

Thus the directors are given authority to transact the usual and ordinary business of National banks. Obviously, the power conferred may be exercised in all usual transactions through the executive officers of the bank, without consultation with the stockholders. In the present case the question to be dealt with is vital to the continuance of the life of the association, as only by complying with the requirement of the Comptroller in assessing a sum sufficient to make up the impaired capital of the bank can its business be continued. The shareholders, by their contracts of subscription, have agreed to pay in the amount of capital stock subscribed, and to discharge the additional liability imposed by the statute. They have not contracted to meet assessments at the will of the directors to perpetuate the business of a possibly losing concern. It would be going far beyond the usual powers conferred upon directors to permit them to thus control the corporation. Corporate powers conferred upon a board of directors usually refer to the ordinary business transactions of the corporation. (Chicago City R. Co. vs. Allerton, 18 Wall. 233, 21 L. ed. 902.) The assessment is required by the Comptroller, not by the directors. The association is to receive notice thereof, and action must be taken by the association to meet the requirements of the Comptroller under the statute. It is provided that if the association fail to pay up its capital stock, and refuse to go into liquidation, as provided by law, for three months after receiving notice from the Comptroller, a Receiver may be appointed to close up the business of the association according to the provisions of § 5234. This important provision is entitled to much weight in determining the proper construction of the statute. The assessment may be avoided, and the amount required is not payable, if the association decides to go into liquidation. Provision for voluntary liquidation is made in § 5220 (U. S. Comp. Stat. 1901, p. 3503), wherein authority is given to liquidate upon a vote of shareholders owning two-thirds of the stock. Such liquidation does not prevent the assessment of stockholders under § 5151 for the benefit of creditors, and the enforcement of the liability of the shareholders in an action by a Receiver or directly by the creditors. (Rev. Stat. § 5234, U. S. Comp. Stat. 1901, p. 3507; § 2, act of June 30, 1876, 19 Stat. at L. 63, chap. 156), as amended, U. S. Comp. Stat. 1901, p. 3509.) The section referred to (5234) directs the appointment of a Receiver to take possession of the books, records, and assets of the association, to collect the debts and claims belonging to it, and among other things, if necessary, to pay the debts of the association, to enforce the individual liability of the shareholders.

We are of opinion that § 5205 is intended to and does confer upon the association the privilege of declining to make the assessment to make good the deficiency to the capital, and to elect instead to wind up the business of the bank under § 5220, which provides for voluntary liquidation by a vote of two-thirds of the shareholders. The question is, Who shall exercise this privilege, and determine the future of the association,—is it the directors or the shareholders who have this right of decision? The origin and continua-

tion of the association would seem to be matters in which the owners, and not the managers, of the bank are primarily interested. If these are privileges of the shareholders, and only exercisable by them, this case presents a total lack of the exertion of the power by those upon whom it is legally conferred, as no action of the shareholders was had in the present case in making the assessment. Action upon the Comptroller's order involves extraordinary action of the association, and determines its future operations or liquidation, and is not found within the powers conferred upon the directors for the management of the business of the bank. If this were not so, then the decision of a question of such vital importance is left to the directors, who may or may not be large holders of stock. As it is a matter foreign to the powers of such boards, and not conferred by statute or required for the transaction of the business of the bank, we think it was intended to be vested in the shareholders. Whether a given power is to be exercised by the directors or the shareholders depends upon its nature and the terms of the enabling act. In certain instances the law specifically requires the action of the association to be taken by its incorporators or shareholders. (Sections 5133, 5134, 5136, 5143, Rev. Stat. U. S. Comp. Stat. 1901, pp. 3454, 3455, 3463.) These sections regulate matters not pertaining to the ordinary business of the bank intrusted to the directors. They deal with the exercise of those powers which concern the organization of the corporation, the amount of its capital stock, and kindred matters.

In § 5205 the requirement of the Comptroller is that the association make the assessment. It is the "association" which is required to pay up the stock or go into liquidation. The payment of the assessments must come from the shareholders, and we are of the opinion that the statute contemplates action upon the alternatives presented in the statute by the association composed of its shareholders.

It is true, as suggested by the learned counsel for the plaintiff in error, that it requires a two-thirds vote of the stockholders to put the bank into liquidation under § 5220; but if the assessment is not carried, and the shareholders have not a two-thirds vote favoring liquidation, the bank is put in liquidation, and the shareholders' liability is the statutory one for the benefit of creditors, and not a venture of more capital in the enterprise, with a possible stockholders' liability upon the liquidation of the bank if it shall ultimately fail. Again, if the determination of this matter is entirely left to the directors, they may, by declining to make the assessment, force a liquidation of the bank, although the shareholders—the real owners of the property—be willing to make good the impaired capital, and continue the business.

On the other hand, if the the directors may assess to make good impaired capital, the shareholder must pay the assessment or submit to the sale of his stock. Such extraordinary powers are far beyond those required in the management of the bank's affairs or conferred in the sections of the law defining those conferred upon the directors. In Delano vs. Butler, 118 U. S. 634, 653, 30 L. ed. 260, 265, 7 Sup. Ct. Rep. 39, 46, while the question was not directly involved, in speaking of assessments under the act, Mr. Justice Matthews, delivering the opinion of the court, said:

"The assessment imposed upon the stockholders by their own vote, for the purpose of restoring their lost capital, as a consideration for the privilege of continuing business, and to avoid liquidation under § 5205 of the Revised

Statutes, is not the assessment contemplated by § 5151, by which the shareholders of every National banking association may be compelled to discharge their individual responsibility for the contracts, debts, and engagements of the association. The assessment as made under § 5205 is voluntary, made by the stockholders themselves, paid into the general funds of the bank as a further investment in the capital stock, and disposed of by its officers in the ordinary course of its business. It may or may not be applied by them to the payment of creditors, and, in the ordinary course of business, certainly would not be applied, as in cases of liquidation, to the payment of creditors ratably; whereas, under § 5151, the individual liability does not arise, except in case of liquidation, and for the purpose of winding up the affairs of the bank. The assessment under that section is made by authority of the Comptroller of the Currency, is not voluntary, and can be applied only to the satisfaction of the creditors equally and ratably."

We concur in this reasoning. The assessment under § 5205 provides for a sum to continue the operations of the bank, and if unpaid subjects the stock of the shareholders to sale to make good the deficiency in its collection. Shareholders are given the right to go into liquidation, subjecting themselves, it is true, to the liability of the assessment for the benefit of creditors under § 5151 to an amount equal to the par value of their stock, if needed to make good the indebtedness of the bank, but risking no further investment of new capital in the continued business of the bank. The choice of methods is with the shareholders, and to them is addressed the decision of the question and the making of the assessment if that course is determined upon. (Hulitt vs. Bell, 85 Fed. 98.) In the present case the assessment was made by the directors without action by the shareholders, and, not being within the statute, was void. It follows that the Supreme Court of Oregon properly affirmed the judgment of the lower court in which the value of the stock sold was recovered.

Judgment affirmed.

CERTIFICATION—EFFECTS OF.

Supreme Court of Pennsylvania, July 9, 1903.

CENTRAL GUARANTEE TRUST AND SAFE DEPOSIT CO. VS. WHITE.

When a check is certified, it becomes an obligation of the bank to the payee or holder, and the amount is withdrawn from the depositor's account as effectually as if paid over to him.

This was an action by the Central Guarantee Trust and Safe Deposit Company against William S. White and another, administrators of William White, deceased, to recover on a check alleged to have been drawn by the deceased for the sum of $1,500 in favor of the son, shortly before the death of the father. The defense was that the check had been obtained by fraud and imposition, the drawer being mentally incompetent.

MITCHELL, *J.* (omitting part of the opinion): A check by a depositor on his account, certified by the bank, becomes an obligation of the bank to the payee or holder, and in the absence of fraud or similar exceptionable circumstances the amount is as much withdrawn from the depositor's account as if the money had been paid over the counter. The check in controversy was certified in the regular course of business during the lifetime of the drawer. All questions of consideration, etc., raised by the appellants are irrelevant.

NOTES OF CANADIAN CASES AFFECTING BANKERS.

[Edited by John Jennings, B. A., LL. B., Barrister, Toronto.]

PROMISSORY NOTE—ENDORSEMENT—EVIDENCE TO VARY WRITTEN CONTRACT—BILLS OF EXCHANGE ACT, SEC. 55, SUB. SEC. 2.

EMMERSON vs. ERWIN (British Columbia Law Reports, Vol. 10, p. 101).

STATEMENT OF FACTS: This was an action to recover the amount of a promissory note made by the Great Northwest Canning Company payable to the defendant Erwin. Erwin and the other defendant endorsed the promissory note and delivered it to the plaintiff, by whom it was accepted as part payment for a piano. In the action Erwin pleaded and endeavored to show by evidence that at the time the note was given to the plaintiff the latter had agreed that Erwin should not be liable on the note. It was objected that evidence of this nature could not be given to vary a written contract, and that a promissory note was a written contract within the meaning of this rule.

JUDGMENT (DRAKE, *J.*): Parol evidence will not be received to show that a person who endorses a promissory note for another for valuable consideration stipulated at the time that he was not to be liable by reason of such endorsement. While sub. sec. 2 of sec. 61 of the Bills of Exchange Act provides that the rights of a holder of a promissory note may be renounced as against any party to it, such renunciation must be in writing.

PROMISSORY NOTE—ILLEGAL CONSIDERATION—CONTRACT IN RESTRAINT OF MARRIAGE—INSANITY.

CROWDER vs. SULLIVAN (Ontario Law Reports, Vol. 6, p. 708).

STATEMENT OF FACTS: This was an action brought on a promissory note for \$1,500, made in September, 1900, by Albert Rose, payable three years after date to the plaintiff with interest at five per cent. The plaintiff is an unmarried woman who for some years prior to the date of the note had been living in the service of Rose, now deceased, as his cook and housekeeper. In 1893 a farmer named Levere, who lived in the neighborhood, became engaged to be married to the plaintiff. Rose endeavored to induce her to break off the engagement and remain in his service, and promised her a note for \$1,500 if she would do so. This agreement was come to and the note sued on was given. A few months after giving the note Rose became suddenly insane and died shortly afterwards.

The defences were:

1. That there was no consideration for the note.
2. That if there was any consideration it was illegal.

JUDGMENT (STREET, *J.*): It appears, therefore, that the only consideration for the giving of the note was the agreement made in 1897. Put shortly, that agreement was that if she, the plaintiff, would not marry Levere or any other man so long as the deceased lived, but would remain with him during his life, he would do one or other of the three things above mentioned; and the plaintiff claims that having kept her promise, there was a good consideration for the note. It is plain that this is not a matter of mere wages, but a bonus to

the plaintiff for abandoning her prospect of marrying during the life of the deceased, and instead remaining in the service of the deceased.

The deceased at the time of the promise was about sixty years of age and apparently in excellent health. The plaintiff at the time was a young woman of the age, I think, of twenty-eight or thirty.

I think this was a contract in restraint of marriage for an unreasonable period, and that the consideration for the note was therefore an illegal one, and that no recovery can be had upon it.

Upon this ground, however, the action must be dismissed with costs, except those of the issue found in the plaintiff's favor; those costs are to be set off by the defendant.

CHOSE IN ACTION—ASSIGNMENT OF MONEY PAYABLE "IN RESPECT OF THE CONTRACT"—DAMAGES FOR INTERFERENCE WITH THE WORK—ATTACHMENT OF DEBTS.

GRAHAM vs. BOURQUE (Six Ontario Law Reports, page 700).

STATEMENT OF FACTS: The facts of this case were stated in the report given at page 361 of Vol. 68 of THE BANKERS' MAGAZINE. A further appeal was taken on behalf of Graham, the judgment creditor, to the divisional court against the decision which had previously been given in favor of the Bank of Ottawa. Judgment of the divisional court was delivered by McMahon, J.

JUDGMENT: It was contended by counsel for the appellant that an assignment of "all and every sum or sums of money * * * to become due and payable * * * in respect of a certain contract * * * for the construction of section 3 of the main drain in the city of Ottawa" would not include the damages awarded to the plaintiff against the city of Ottawa, as these damages must be regarded as something dehors the contract, and therefore not included in the assignment.

This case, in some of its features, is not unlike that of Bush vs. Trustees of Whitehaven (1888) only reported in 52 J. P. 392 and Hudson on Building Contracts, 2nd ed., vol. 2, p. 121, and is governed by the principles enunciated in that case.

In that case Bush contracted with the defendants on June 23 to lay a certain conduit pipe, and the defendants agreed to be ready at all times to give Bush possession of the sites to enable him to proceed with the construction of the works. The plaintiff began work on July 12, but the whole of the land was not available until October 6. In consequence of this delay, the work was thrown into the winter months, and the contractor was put to heavy extra expense, for which he sued the defendants.

The conditions upon which the works were performed and binding on the contractor were very stringent, section eleven providing, inter alia, that "the non-delivery in the manner aforesaid of the use of any such site, or any part thereof, shall not vitiate or affect the contract, nor any provision therein or in this specification contained, nor entitle the contractor to any increased allowance in respect of money, time, or otherwise, unless the engineer may grant him any extension of time, and then only to that extent under the provisions for that purpose hereinafter contained."

Section 22: "The contractor shall complete and deliver up to the trustees

the whole of the works within a period of, etc. * * * Provided always, that if by reason of the non-possession of the site required for the purposes of the work, or by reason of any additions to the work (which additions the engineer is hereby authorized to make), or in consequence of strikes or other unavoidable circumstances, the contractor shall, in the opinion of the engineer, have been unduly delayed, it shall be lawful for the engineer, if he shall so think fit, to extend the time, without thereby prejudicing or any way affecting the validity of the contract or the sufficiency of the tender, or the adequacy of the sums or prices therein mentioned."

The case was tried before Cave, J., and a special jury. The learned trial judge submitted a number of questions to the jury, the fifth of which was: "Were the conditions of the contract so completely changed, in consequence of the defendants' inability to hand over the sites of the work as required, as to make the special provisions of the contract inapplicable?" The answer was "yes" (Hudson, p. 122). The damages suffered by reason of the inability of the defendants to hand over the sites required for the purposes of the work were £600 over and above the contract price (Hudson, p. 122); and judgment was entered for the plaintiff for £893, the aggregate amount that was found to be due from the defendants (52 J. P., p. 394).

Notwithstanding the rigorous conditions contained in the eleventh and twenty-second clause of the contract, which showed that the parties had in their minds the contingency of delay, it was held that a summer contract having by implication been in the contemplation of the parties when the contract was made, Bush was entitled to a *quantum meruit*, or damages in respect of the increased expenditure which he was thereby compelled to incur.

Lord Chief Justice Coleridge in his judgment at pp. 126–127 of the report in Hudson, said: "It was therefore, in the first place, a contract to be completed within four months from July 12, what may be called, in the popular language which has been used, both from the bench and at the bar, a 'summer contract.' It was turned into a winter contract—into a contract when wages were different, probably, or may have been—when days were short instead of long; when weather was bad instead of good; when rivers which had to be dealt with, and had to be crossed by the pipes, were full or empty; and when, in fact, I will not say every circumstance, but a great many most important circumstances, under which the contract was to be executed, had wholly changed from those which it is reasonable to suppose were in the contemplation of both parties when the contract was entered into. The contract, nevertheless, was carried on and was completed. It was carried on and was completed of course with the knowledge of the contractor, and equally, of course, with the knowledge of the defendants. The defendants knew as well as the contractor that the work was being carried on under totally different circumstances to those contemplated in the contract. They knew that perfectly well, and although the plaintiff possibly or probably might at the expiration of the four months have thrown the contract up and refused to proceed, he had also a perfect right, if he had thought fit, with the knowledge and assent of the defendants, which in this case is to be presumed, and, indeed, was proved, to go on with the contract and to complete it under the altered conditions, or I will not say to complete the contract, but to complete the work under the totally altered conditions that had arisen."

The case was carried to the Court of Appeal, and Lord Esher, M. R., in his judgment, p. 128, said : "Now the answer to the fifth question (if you take it to be a binding finding of the jury), in my opinion comes to this, that the condition of things had so been altered after the making of the original contract (they had been so greatly altered) that it was not reasonable, or right, or fair, or just to hold that the original contract was made with regard to those circumstances. In other words, you may put it thus, that the condition of things was so altered that if they had been supposed to be the things with regard to which the first contract was made, neither party, acting as (I must use my favorite phrase) 'reasonable men of business,' could have made the original contract in the terms it was with regard to that state of circumstances. The result of that, if it is true, is this, that the original contract is made with regard to a different subject-matter from the subject-matter which was dealt with by the parties. If that finding stands, then the condition of things with which the parties dealt ultimately was so very different from the condition of things with regard to which the original contract was made, that the circumstances with regard to which the original contract is made have ceased to exist. The contract made with regard to those circumstances ceases to exist because those circumstances ceases to exist. Then the contract is at an end, and there is no further application of it at all.

Then with regard to the new circumstances, the parties are in the same position as if no contract at all had been made with reference to them. Now, what is the result ? Why, that with regard to the new circumstances, neither party is called upon to do anything. Either party or both parties may leave those circumstances alone. If they do not leave them alone, and undertake to deal with them, and do deal with them, the law applicable to what they then do with regard to those new circumstances is the law which would be applicable to those circumstances even though there had never been the former contract at all, which was made with regard to other circumstances.

Now, what is that ? In that case, as I say, both parties might have left the thing alone, but they do not. The one party goes on to deal with the new state of circumstances and does work with regard to those. The other party knows that that party is dealing with that new state of circumstances and allows him to do so. Therefore, the one does work which he intends to be for the other. The other person allows him to do that work, knowing that it is intended to be done for him. It is work which he knows that the one party is doing upon the terms of being paid for it somehow. What does that give rise to ? It gives rise to a claim for a fair remuneration for that work done. That fair remuneration is called in legal language a payment according to a *quantum meruit.* If the first contract was gone, if the state of circumstanstances with regard to which it was made were really no longer in existence as between the parties, if the one did work for the other upon the new state of circumstances which the other accepted, knowing that it was being done on the terms of being paid for, that gives rise to a *quantum meruit.*

Apparently neither Bourque nor the corporation of the city of Ottawa contemplated that these parallel sewers which were encountered during the progress of the work would require to be displaced in order to complete the work Bourque had contracted to do. The existence of these sewers in the places where they were encountered entirely changed the condition of the

contract. Being impeded by the act of the city corporation in discharging through these sewers the sewage matters which they carried on to his work, he might (to quote the language of Lord Chief Justice Coleridge in the Bush case, at p. 127) have thrown the contract up and refused to proceed, and he had also a perfect right, if he had thought fit, with the knowledge and assent of the defendants, which in this case is to be presumed * * * to go on with the contract and to complete it under the altered conditions, or I will not say to complete the contract, but to complete the work under the totally altered conditions that had arisen.

As Bourque could not have completed the contract or become entitled to the moneys payable thereunder without doing the additional work caused by the discharge of the sewage into the trenches dug by him, owing to a breach of duty on the part of the corporation of Ottawa, it appears to me that the additional expense so caused was to enable him to complete the work, under the altered conditions which had arisen, and was, therefore, 'in respect' of the contract. The amount recovered in the judgment of Bourque vs. City of Ottawa is, therefore, covered by the assignment to the bank to the extent of the balance due the bank on the advances made to Bourque in connection with his contract.

The appeal must be dismissed with costs.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be sent promptly by mail.

Editor Bankers' Magazine: PHILADELPHIA, Pa., March 26, 1904.

SIR: A check drawn on this bank is presented by the holder on a Saturday. Please advise if it is lawful to protest check on a Saturday before 12 o'clock noon.

Answer.—By the Negotiable Instruments Law it is provided that "instruments payable on demand may, at the option of the holder, be presented for payment before twelve o'clock noon on Saturday, when that entire day is not a holiday." (Laws Pennsylvania, 1901, ch. 162, sec. 85). This applies to a check (sec. 185). And by sec. 102 of the act, it is provided that "notice may be given as soon as the instrument is dishonored." But there is no reason why protest should be made before twelve o'clock. If presentment is made before that hour, the protest may be made at any time during the day (sec. 155).

Editor Bankers' Magazine: MERIDIAN, Miss., March 5, 1904.

SIR: A merchant deposits with us as cash a check of his customer drawn on a bank in the neighboring city of C. We send it for collection to our correspondent at B, who in turn sends it to a bank at C. Now, in case the check is lost in the mails, or in transit, and duplicate cannot be obtained, or in case the drawer should become insolvent in the meantime, the original check being good, on whom would the loss fall? M.

Answer.—The check having been received as cash, we think that as between your bank and the depositor the loss must fall upon the bank; for even if the bank had the right to cancel the credit in the event that the check was not paid, the burden would be upon it to show that the check had been duly presented and dishonored, and mere proof that the instrument

had been lost would not be sufficient for this purpose. So, if the bank at B gave your bank credit for the item when it was received, we do not think the check could be charged back to your bank unless it is returned to you. In such case, therefore, the bank that last had possession of the paper would be responsible for the same. But that bank need not lose the amount of the check, for it may make demand upon a copy, tendering the payee a proper indemnity. (Daniel on Negotiable Instruments, sections 1464-1465.)

Editor Bankers' Magazine: CARTHAGE, Ill., March 11, 1904.

SIR: Will you kindly answer through your MAGAZINE and advise whether in your opinion an irregular indorsement, such as Wilson Grocery Company per L. H. G., should be guaranteed by the bank or banks through whose hands it passes or not? It very frequently happens that local merchants give checks to traveling salesmen, payable to the order of the firm or corporation that they represent, and that the traveling salesmen get these checks cashed at a neighboring town, indorsing the corporation or firm name, and that the check passes through the hands of several banks before reaching the bank on which it is drawn. Do you regard the ordinary indorsement used by banks as a sufficient guaranty of the genuineness of such indorsement as above referred to, and, in the case of an indorsement made by the salesman or agent, of his authority for making such indorsement? In your opinion is a drawee bank protected in paying a check with such irregular indorsement, without a subsequent indorsement specifically guaranteeing the same? S. H. FERRIS, *Cashier.*

Answer.—It is a fundamental principle that every indorser warrants by his indorsement that he has a good title to the instrument and that all prior indorsements are genuine. (Daniel on Negotiable Instruments, sec. 677.) When, therefore, an indorsement purports to have been made by an agent, a subsequent indorser necessarily warrants that the agent had authority to indorse; for if the agent had no such authority, the subsequent indorser acquired no title. We think, therefore, that in the case stated in the inquiry, an indorsement in the ordinary form is sufficient.

Editor Bankers' Magazine: LANCASTER, Pa., March 1. 1904.

SIR: (1) Is the following judgment note a negotiable instrument under the new law? If not, please note the points which are in conflict with the law.

$100. Lancaster, Pa., January 17. 1904.

One month after date I promise to pay to the order of E. Jones One Hundred Dollars, without defalcation, for value received. Hereby waiving inquisition, stay of execution, and all benefit of the $300 exemption law. And I further empower any attorney of any Court of Record within the United States to appear for me and confess judgment against me for the above sum, with above waivers, cost of suit, release of errors, and five per cent. attorney's commission. Wm. Brown. (Seal)

(2) Saturday being a half holiday, is it lawful and necessary to protest a check or demand note if presented before 12 M. (3) In case of a bank not observing the afternoon of Saturday as a holiday, but does business all day as on other days, would a check or demand note presented in the afternoon of that day be subject to protest? CASHIER.

Answer.—(1) By the terms of the Negotiable Instruments Law, the negotiable character of an instrument is not affected by the fact that it "bears a seal" (Sec. 6), or is made payable "with costs of collection or an attorney's fee in case payment shall not be made at maturity" (Sec. 2), or contains a provision which "authorizes a confession of judgment if the instrument be not paid at maturity," or "waives the benefit of any law intended for the advantage or protection of the obligor" (Sec. 5). These provisions appear to cover all the conditions contained in the note mentioned in the inquiry, and such note is, therefore, negotiable. (2) If the instrument is presented before noon on Saturday, it may be protested on that day, though this is not required. It is sufficient if notice of dishonor be given on Monday. (3) No. The statute makes a presentment after twelve o'clock noon on Saturday ineffectual, and no custom of a bank can change the force of a legislative enactment.

SYSTEMS FOR BANK WORK.

[A Card System for Signatures and Stop-payment Orders, with hints for installing it. By CHARLES W. REIHL, Philadelphia.]

In the various improvements made in recent years in the different departments of bank work none have been so great a convenience to depositors as the card systems for signatures. The depositors, however, have not had a monopoly of the convenience, for it is also a great convenience to the banker and teller.

With the use of the old signature-book the depositor had to come to the bank to give his signature, or else write his name on a slip of paper and have the banker paste it in the book. The former was sometimes very inconvenient and the latter was often unsatisfactory, besides making the book look unsightly. But with the card system a card can be taken or sent to the party whose signature is wanted and he can sign it under natural conditions, and then return it; or if he wishes he can come to the bank to sign it.

In using the book the signatures are sometimes placed on the wrong page, and then when wanted cannot be found without getting a mental search-warrant and instituting a careful search; this always means waste of time and test of temper. No such troubles are likely to occur with the card system, for each card, after it is properly signed and filled up, is filed in its proper place in the filing-drawer, back of the guide-card. For example, if it is the card of the Pope Manufacturing Co., it is filed after the guide-card marked "Po," and if by mistake it should be placed in the wrong subdivision it can easily be placed where it should be, but you could not make this change with the entry in the signature-book.

The book carries on the same page the names of those having active accounts with the bank and those whose accounts have been closed for months or years. This is not true of the card system, for as soon as an account is closed the card is taken from its place, a proper memorandum made on it and then filed in place reserved in the cabinet for cards of closed accounts.

There is really only one system that can be used in the signature-book—that is the alphabetic arrangement of the pages. Some banks have their rulings arranged better than others, but the best is not comparable with a good card system. For simplicity, convenience, correctness, clearness of record and ease of finding the right signature when wanted, the card system is far superior to any signature-book.

But there are good cards and poor cards used even in card-signature systems. I do not mean good and poor in the stock used for the card, although this too is sometimes true. I refer now to the arrangement of the spaces on the card and the size of it.

I shall now examine a series of cards prepared especially for use in banks located in cities having clearing-houses; then give a few suggestions for signature-card system for country banks, and also a few hints that will be found useful in placing the card system in banks where it is desired to use it.

Many bankers who have adopted a card system use only two forms: one for banks and the other for firms, corporations and individuals. This will answer to a limited extent, but separate cards for each class would answer to an unlimited extent.

The system here given was prepared after much study and examination of other systems, and it has been highly commended by those qualified to pass judgment on it, and it has been copied. It is especially intended for the paying teller's depart-

BANK CARD

AUTHORIZED SIGNATURES OF

DATE Nov. 10-'03

American National Bank.

TO THE MANUFACTURERS NATIONAL BANK, PHILADELPHIA, PA.

THE SIGNATURES BELOW ARE THE ONES, AND ONLY ONES, DULY AUTHORIZED FOR YOU TO RECOGNIZE IN THE PAYMENT OF FUNDS OR TRANSACTION OF OTHER BUSINESS ON OUR ACCOUNT

Frank G. Hart — President

G. W. Barth — Vice-President

John C. Conover — Cashier

A. C. B. Bell — Asst. Cashier

(over)

FIG. 1.

ment, because he, by the nature of his duties, is required to refer to the signatures more than any one else in the bank.

Figure 1 is for the signatures of officers in banks in the same city where the bank issuing the card is located. Figure 2 shows the back of the same card. The information given on the back may be found to be of more use than that given on the

Persons Authorized to Sign and Countersign Due Bills

To Sign Jas. W. Warter

To Sign Noah Webster

To Countersign Cashier

To Countersign Asst. Cashier

To Certify Checks Cashier, or Asst. Cashier

To Endorse Checks Any officer

John C. Conover
Cashier

DATE Nov. 10-'03

FIG. 2.

front. To know who is authorized in each bank to sign and countersign due bills, and to certify checks and endorse items presented for payment, is often necessary for properly transacting certain matters.

The names given on all the cards here illustrated are fictitious, for it would not be proper to take cards from the cabinet and use them in this way. The names are given on them simply to show how the cards look when filled up, and the nature and amount of information they give.

The card for the out-of-town banks is Figure 3. The wording of the two printed lines on this card, and on all the others, beginning "The signatures below," etc., is a little different from that generally used. It is clearer and more to the point, giving special instructions which become effective when the signature is placed below.

BANK CARD AUTHORIZED SIGNATURES OF DATE 1-3-'03

Seattle National Bank, Seattle, Wash.

TO THE MANUFACTURERS NATIONAL BANK, PHILADELPHIA, PA.

THE SIGNATURES BELOW ARE THE ONES, AND ONLY ONES, DULY AUTHORIZED FOR YOU TO RECOGNIZE IN THE PAYMENT OF FUNDS OR TRANSACTION OF OTHER BUSINESS ON OUR ACCOUNT.

Geo. H. Southey President

Vice-President

Sam'l N. Banks Cashier

Chas. L. Little Asst. Cashier

FIG. 3.

Figure 4 shows the individual card. No comment about this is necessary, except to say that the two lines under the signature are for use when a power of attorney is given for the account.

INDIVIDUAL CARD AUTHORIZED SIGNATURES OF DATE Feb. 8-'04

George H. Marshall

TO THE MANUFACTURERS NATIONAL BANK, PHILADELPHIA, PA.

THE SIGNATURE BELOW IS THE ONE, AND ONLY ONE, YOU ARE TO RECOGNIZE IN THE PAYMENT OF FUNDS OR TRANSACTION OF OTHER BUSINESS ON MY ACCOUNT.

SIGN HERE George H. Marshall

Address 985 N. 10 St.

Business Salesman.

Introduced by Benj. Brown

FIG. 4.

The firm card, Figure 5, being arranged with place for the name of the person who signs for the firm, is very useful. The question sometimes arises as to which member of the firm signed a certain check or note. Reference to this card would answer the question at once.

FIRM CARD

AUTHORIZED SIGNATURES OF

DATE Jan. 20-'04

Dodge, Loerner & Co

TO THE MANUFACTURERS NATIONAL BANK, PHILADELPHIA, PA.

THE SIGNATURES BELOW ARE THE ONES, AND ONLY ONES, DULY AUTHORIZED FOR YOU TO RECOGNIZE IN THE PAYMENT OF FUNDS OR TRANSACTION OF OTHER BUSINESS ON OUR ACCOUNT.

Dodge, Loerner & Co	by John Dodge
Dodge, Loerner & Co	by H. Loerner
	by
	by

Address 493 N. Third St.

Business Hide & Leather.

Introduced by S. L. Strousse.

FIG. 5.

All these cards, except those for banks, give a place for the address, business—that is, the nature of the business, and by whom the party was introduced to the bank. This information is often wanted and will be found useful in many ways on many days.

Figure 6 is the corporation card; on it is a clause stating that, unless otherwise instructed, only one signature is required. Frequently the treasurer's signature is the only one used, but in the case here given the bank is instructed that two signa-

CORPORATION CARD

AUTHORIZED SIGNATURES OF

DATE Nov. 30-'03

Quaker City Mfg. Co.

TO THE MANUFACTURERS NATIONAL BANK, PHILADELPHIA, PA.

THE SIGNATURES BELOW ARE THE ONES, AND ONLY ONES, DULY AUTHORIZED FOR YOU TO RECOGNIZE IN THE PAYMENT OF FUNDS OR TRANSACTION OF OTHER BUSINESS ON OUR ACCOUNT

IT IS HEREBY UNDERSTOOD THAT ONLY ONE SIGNATURE IS REQUIRED UNLESS OTHERWISE INSTRUCTED.

by two must sign.

Mark Brownley	President
	Vice-President
Walter Smith	Treasurer
Louis Hurd	Secretary

Address 1820-30 N. Front St.

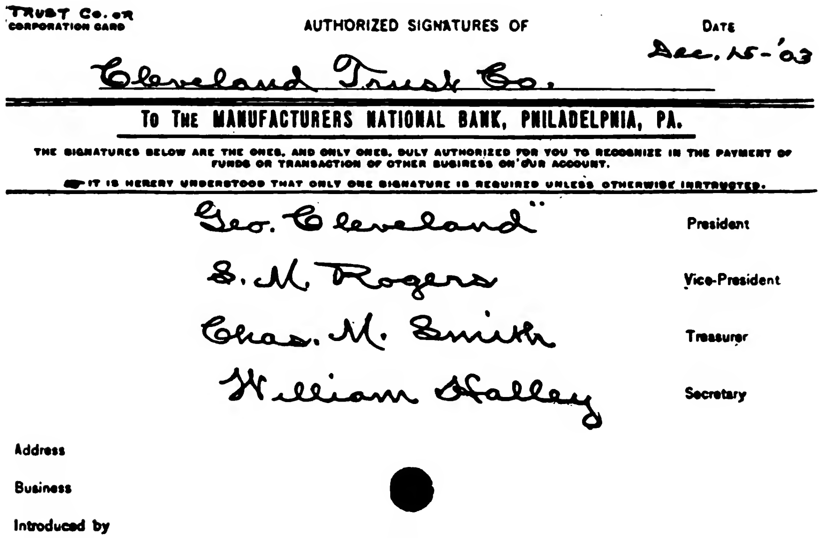
Business Makers of Cloth

Introduced by Arthur Brownley

FIG. 6.

tures are required on each check or note. Without the special instructions the bank would be authorized to pay on any one of the three signatures given.

The same card, Figure 6, is to be used for trust companies too, as shown in Figure 7. The nature of the business in this case is understood without making note of it.


TRUST CO. OR CORPORATION CARD

AUTHORIZED SIGNATURES OF

DATE Dec. 15-'03

Cleveland Trust Co.

TO THE MANUFACTURERS NATIONAL BANK, PHILADELPHIA, PA.

THE SIGNATURES BELOW ARE THE ONES, AND ONLY ONES, DULY AUTHORIZED FOR YOU TO RECOGNIZE IN THE PAYMENT OF FUNDS OR TRANSACTION OF OTHER BUSINESS ON OUR ACCOUNT.

IT IS HEREBY UNDERSTOOD THAT ONLY ONE SIGNATURE IS REQUIRED UNLESS OTHERWISE INSTRUCTED.

Geo. Cleveland — President

S. M. Rogers — Vice-President

Chas. M. Smith — Treasurer

William Halley — Secretary

Address

Business

Introduced by

FIG. 7.

Although seven forms are here given, there are only four different kinds of cards. The two for banks are the same on the face, but some had the form printed on the back for use with banks in the same city.

There is really only one objection to these cards, and that is their size. They are too deep to be enclosed in an ordinary business envelope. They are four by six inches and so require a special envelope when sent through the mail. If they were three and one-half by six inches they could be enclosed in an ordinary business envelope and would not be so liable to be broken or torn in the mail. They could very easily be made this size.

STOP-PAYMENT ORDER CARD.

Another important matter with the paying teller's department is the stop-payment orders. These orders are usually written on a slip of paper, or letter from the party who issued the check or note and then desired, for some reason, not to have it paid; and when the item has been returned or the order cancelled the slip or letter is torn up and that ends the record. Some keep the record by entries in a book kept for that purpose—and this method has its disadvantages. But with the card signature system a card like Figure 8 can be used to great advantage. When the order is given to stop payment the card is filled out, as here shown—except the two lower lines—and the card is filed in its place. Memorandum can be given to the bookkeeper so he can stop the check if it should pass through the paying teller's department unnoticed.

If the order is cancelled for any reason, the two lower lines are filled up and the card filed back of those still in force. If the check comes in and is returned, mention of the fact, with date, should be made on the card and then the card filed as if the order had been cancelled.

For these cards a four-drawer cabinet is used. First drawer for A to K cards, second for L to Z cards, third for local and out-of-town banks, fourth for stop-payment orders and cards of accounts that have been closed. If the bank has more than two ledgers for individual, firm and corporation accounts, more drawers can be provided for the cards.

When an account is closed the signature-card should be taken from its place,

marked "account closed," with date and reason—if reason is known—and then filed away in alphabetic order in the fourth drawer. The advantage of filing these and the stop-payment cards in this drawer is in having them handy if wanted.

G. C. Buckley & Co STOP PAYMENT ORDER

The Manufacturers National Bank,
PHILADELPHIA, PA

Date Feb 1. 1904

Please stop payment on the following check:—

No. A. 793 *Date of Check,* Jan. 15—'04

Order of Brown Mfg Co. of Balto.

Amount 750—

SIGN HERE G. C. Buckley & Co

Order Cancelled 2/18/'04 — Pay it now.

Reason Miscarried in mail. G. C. Buckley & Co

FIG. 8.

SUGGESTIONS FOR COUNTRY BANKS.

The cards given above are, as stated, especially intended for banks in cities having clearing-houses. But as most of the banks in the United States are outside of clearing-house centers, a few suggestions will be given for a card-signature system for their use. The same principles apply in both places.

In towns having one, two, three or four banks it would be almost a useless expense to have cards like those on Figures 1, 2 and 3—the cards for banks. But in the larger towns the cards shown on Figures 4, 5 and 6 could be used advantageously.

In the majority of banks that are commonly known as country banks, a card similar to the individual card, Figure 4, would do for all purposes. One change should be made on the card. The sentence reading, "The signature below is the one, and only one, you are to recognize in the payment of funds or transaction of other business on my account," should be printed to read, "None but the signature or signatures given below to be used for the withdrawal of funds or the transaction of other business for this account." Some banks simply have "authorized signature of," or "signature of," printed on their cards. Either of these could be made to answer in most cases, and no occasion might arise to question its sufficiency or insufficiency. But for those who prefer more definite instructions from depositors the above wording is suggested.

The same size card as suggested above, three and one half by five inches, will be found best; for it will allow those who write a large hand to give their signatures without cramping them. Its appearance is much better too than the smaller card.

A one or two-drawer cabinet might be sufficient for your present needs and allow room for new accounts. It is better to have room to spare in your cabinet than to have it crowded.

HINTS FOR INSTALLING THE SIGNATURE CARDS.

Those who are considering the matter of adopting the cards might be glad to have a few suggestions.

In the first place, decide on the form and size of card you want. Then count

your accounts—how many bank accounts, how many corporations, how many firms, how many individuals; or if only one card is used, how many accounts altogether. If one thousand, do not order only a thousand cards, but order enough for changes in names of present accounts and for new accounts. Two thousand would not be too many to order—they will keep and are good until used.

Next decide the style of case, or cabinet, you want to use. Always allow room to grow. Having decided on these things, ask estimates and samples of stock for the cards from three or four card-system houses; not to get the cheapest, but the best; for the best is always the cheapest in the end. Being satisfied with what you get is worth considerable.

While your cards are being prepared you can get ready to send them out. Make a list of your depositors with their addresses. Have your envelopes addressed. Be sure to have a stamped envelope addressed to yourself to enclose with the card for its return trip.

If you want to have your depositors interested in the bank and have a way for them to easily manifest their interest, use an introduction card similar to the one shown on Figure 9. The typographical work might be better than this one, but the

OFFICERS OF **INTRODUCTION CARD**

THE MANUFACTURERS' NATIONAL BANK

27-29 N. THIRD ST., PHILADELPHIA, PA.

Gentlemen: This will serve to introduce to you

Mr. Charles S. Fisher

of Geo. Fisher's Sons, 942 Market St.

who will open an account with the MANUFACTURERS' NATIONAL BANK. We know this will secure the account every service allowable in safe and prudent banking.

Date 2/10/04 John M. Kellogg.

If it is not convenient for the party introduced to call at the bank send this by mail and it will receive immediate attention.

FIG. 9.

idea is a good one to copy. I know of one enterprising bank officer who had three or four introduction cards printed on one card, like coupons on a railroad ticket, so they could be easily torn apart and used.

Head each card with the depositor's name before sending for the signature, then when you send the cards send them with an addressed letter. The following form is a good one:

DEAR SIR: Having adopted the card system for signatures of depositors, we are now revising our records in this line, and so desire to have new signatures of all the depositors in this bank.

We herewith enclose a signature-card and request that you write or have written on it the proper signature or signatures that we are to recognize in the payment of funds or the transaction of other business on your account. Also give your business address and nature of business. Then kindly return the card to us in the enclosed envelope. If you change your address at any time please notify us at once.

Your kindness in complying with this will assist us in the work and will be much appreciated by us.

We also enclose an introduction-card which we would be pleased to have you use in introducing some individual, firm or corporation to us to open an account with the bank. We will give the account careful attention and promise it shall have every service allowable in safe and prudent banking.

Thanking you in advance for the expected favors, we are,

Yours very truly,

——— ———.

These letters could be printed either in ordinary type or type-writing style; or they could be run off on some duplicating machine.

Keep your list of depositors, and tick on the list the name on each card as they are returned. In this way you will know whether you get them all back or not, and those not returned in reasonable time you can write for or inquire about.

*THE PRACTICAL WORK OF A BANK.

THE COLLECTION DEPARTMENT.

IV.

The patience of Job is truly exemplified in the bank collector. His position has more responsibility attached to it than most people suppose, hence not every one can fill it satisfactorily. It requires a young man with at least a common school education, and sound in body and mind. Courtesy, good morals, patience, carefulness, and unquestionable integrity are the qualifications of a good bank collector.

Courtesy at the telephone is especially desirable and should also be extended to all with whom he comes in contact, regardless of station. His morals must be above reproach, as the general reputation of the bank is quite frequently judged by his actions. The business world sees more of him than any other man connected with the bank. This may seem unreasonable, yet it is true. A very large number of business men seldom go to their bank, their business being transacted by clerks. To illustrate: a business man, one of the bank's best customers, had not been in the bank for three or four months, yet the collector called on him almost every day. His patience is tested each day and sometimes very severely, by inconsiderate business men to whom he presents collections. He must wait, regardless of how far behind he is, or how large and voluminous the day's business, until the payor hunts up the invoices through a stack of unfiled papers, checks them over, and then takes his leisure to write a check. Another very disagreeable feature is being subject to the instructions and directions of the different officers and clerks of the institution and quite frequently being told to do several things at the same time.

He must possess an indefatigable desire for work, with the interests of the bank at heart if he seeks promotion, as almost daily opportunities are presented where the bank's profit depends upon his judgment and actions. He should be thoroughly posted regarding protesting papers, and the liabilities of all parties to acceptances, notes, drafts, etc.; and as his work progresses and his mind develops he should acquire an insight into commercial law bearing on all forms of business paper, which can best be accomplished by a careful perusal of some good banking journal. Promptness is indispensable. The bank is no place for the laggard. The collector must be present at the usual time and ready to start out with his collections at the opening hour. "Keep your eyes and ears open and your mouth closed," is an excellent rule, but very difficult to observe. It can be followed to a great extent, however, by one who possesses the utmost determination to act according to the dictates of a conservative judgment. Opportunities of assistance to superiors and to fill higher positions should never be neglected, for therein lies the secret of advancement. Good, legible penmanship is very essential and can be acquired by proper cultivation and constant attention.

Details of Collection Work.

All items should be arranged in a good wallet in consecutive order of the calls to be made. Refusals should be carefully endorsed and promptly returned and record of same made on the letter; though with notes it is preferable to give reasons in the return letter. The wallet should never be conspicuous on the streets nor swung in

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* A series of articles to be published in competition for prizes aggregating $1,050, offered by The Bankers' Magazine. Publication of these articles was begun in the July, 1901, number, page 18.

the fingers as many pride themselves in doing. He should never be delayed by waiting for an absent party, as much valuable time is lost and nothing gained, for nine times in ten he must wait longer than expected. He must exercise the greatest care in receiving cash items in payment of drafts and notes, and if any doubt exists as to their genuineness, immediate certification should be obtained by telephone, and most especially so, if a bill of lading has been surrendered.

Handling the Mail.

When the mail is brought from the post office in a leather satchel and opened by an officer, it is distributed among the proper departments. The collection clerk checks the items from the letters, writes the name of payors on the letters, notes protest instructions on items, computes all charges, and gives draft to the messenger. Time paper is retained and entered on registers, and then placed in a large collection wallet in consecutive maturities; as they mature, they are handed to the messenger by the collection clerk. Immediately after completing his rounds the messenger places the funds received for each item upon the letter containing it, and passes them to the teller, who checks up the money and hands the letter to the exchange clerk, with totals to be remitted on each. Drafts are then drawn and with the original letters handed back to the collection clerk, who writes the remitting letters and detects any errors made in drawing drafts, additions, etc. The exchange clerk knows whether or not charges have been paid from notations made by messenger on letters.

All records are made from original letters and received with item, thus doing away entirely with registers for cash items and short-time collections. This saves an enormous amount of time, labor and stationary, and reduces the liability to err to the minimum. A bank receiving remittances desires only to know its collection number, amount, date of its letter, and name of payor; though the last two are fast becoming obsolete. The letters are carefully filed away as a record of the items contained and instructions. All protest collections are indicated by the use of arbitrary signs upon the lower right-hand corners of the items, and any other special instructions are so noted. It requires only a second or so, and renders invaluable service to all who handle the items.

This method is becoming more general, especially among banks doing a large collection business, and one bank adopting this method in preference to registering all items, has come under my personal observation.

Following Instructions of Transmitting Bank.

The first and most imperative rule is to follow instructions, regardless of circumstances. Exceptions to this are exceedingly rare. A collecting bank should follow the instructions of the bank from which it receives the collection and not from any intermediary bank, firm, or person, as many business men are inclined to believe, and greatly desire on some occasions. An instance of practical verification comes to mind where a collecting bank held a protest draft which was claimed to have been remitted by an influential and responsible merchant who produced his check-book stub in evidence; still, upon his refusal to pay, the bank protested and returned the item.

Letter instructions invariably govern the handling of all items, and when received from a bank without instructions, items are always protested under the Supreme Court rulings in this State, regardless of anything to the contrary written on, or attached to them. I have experienced, time and again, the exceedingly unpleasant and responsible handling of protest items with "no protest" written or stamped across their face. This abominable practice is a source of serious trouble between a collecting bank and perhaps its best customer, and should be discouraged and suppressed in some way by the State Bankers' Association or the American Bankers' Association, and is a topic worthy of their careful consideration.

Documents attached to notes and drafts should be surrendered only on payment, with all charges, and never left at an office unless otherwise instructed.

The earnings of the collection department are certainly insignificant considering the enormous responsibilities. The profits are increased by promptness, accuracy, courtesy, reasonable rates and following instructions. The profits generally depend upon the custom, locality, and competition. The first and most paramount method of increasing collection profits is promptness. No banks, firms or private parties desire to entrust their collection and proper handling of valuable paper to negligent banks. Some collecting banks receive drafts, present for acceptance, hold for maturity, and remit without having made any prior acknowledgment. Such negligence can only result in a loss of collection business and profits.

Accuracy should not be overlooked, as banks dislike very much indeed to be eternally correcting errors and making apologies for their collecting agents, also avoiding great risk of loss. Courtesy, especially to firms from whom a great many drafts are collected, helps profits, as they would instruct firms from whom they buy to send all drafts through this bank, and since the large firms in cities send out their drafts themselves, this is seen to be no small item. This eventually leads to securing the entire collection business of these firms in your vicinity.

All charges should show a reasonable profit, and under no circumstances should the charges exceed express or post-office charges for similar service, even though there is only one bank in the town.

In conclusion, it may not be amiss, to avoid too serious criticism, to quote the language of Portia: "If to do were as easy as to know what were good to do, chapels had been churches and poor men's cottages princes' palaces. It is a good divine that follows his own instructions. I can easier teach twenty what were good to be done, than be one of the twenty to follow mine own teaching."

Date of Item	Time	Maturity	Number	From whom received	Address	Maker	Payer	Amt.	Int.	When paid	Remarks

Domestic Register.—On the domestic register should be entered all time paper received for collection maturing ten days or more after receipt and remittances or credits made from the register.

Acct. No.... Page No....

Date of maturing	Date of Item	Number	Maker	Where drawn	Amt	Total	Where Payable	On whom drawn	First endorser	Last endorser	When Adv'd

Remittance Register.—On the remittance register should be entered the full description of all cash items payable on demand, elsewhere than in the city and sent protest.

Date of Item	Number	Owner	Instruction	Amt	Payer	Address	Where sent	When paid	Remarks

Foreign Register.—On the foreign register should be entered all items received from customers for collection.

The forms are compiled with the intention of recording full descriptions of all items in the most concise manner; in the shortest time, by not making the same record in two places, and with the smallest possible expense, by having two registers, each serving its own special function.

J. H. Hancock.

EDWIN S. SCHENCK

President Citizens' Central National Bank, New York

THE CITIZENS' CENTRAL NATIONAL BANK, OF NEW YORK.

On the morning of March 14 the Citizens' Central National Bank—formed by a union of the Central National and the National Citizens'—opened for business at 320 Broadway, in the building formerly occupied by the Central National Bank. By the merger of these two banks an institution has been formed that will be admirably adapted to care for the business interests centering around the bank—the dry goods trade, which is one of the most important branches of the city's commerce. While devoting a large part of its attention to the needs of this trade, the bank is well equipped to transact all lines of banking.

HENRY DIMSE, Cashier.

The capital of the Citizens' Central National is $2,550,000 and the deposits $20,000,000, thus placing it among the large commercial banks of the city.

The National Citizens' Bank was established in 1851, and was operated successfully as a State institution. About the time of the imposition of a tax on the circulation of State banks it entered the National system.

In December, 1901, the National Citizens' Bank absorbed the business of the Ninth National Bank, and soon after William Halls, Jr., of the Hanover National Bank, and James Stillman, of the National City, became directors.

The National Citizens', the Ninth National and the Central National were all competitors in the dry goods district, and in view of the great growth of business in this territory neither of the banks was in a position to extend all the facilities required. By the merger, which thus practically combines the three banks into one institution, effective provision is made for adequate banking service. The interests thus united are representative of some of the wealthiest and best-known men in New York. Included in the list of directors are: James Stillman, President National City Bank; Wm. Halls, Jr., Vice-President Hanover National Bank; John A. McCall, President, and Henry Tuck, Vice-President New York Life Insurance Co.; Henry B. Stokes, President Manhattan Life Insurance Co.; and Elkan Naumburg, of E. Naumburg & Co., bankers. The mercantile interests are also well represented in the board, the membership including: Ewald Fleitmann, of Fleitmann & Co.; Louis F. Dommerich, of Oelbermann, Dommerich & Co.; Woodbury Langdon, of Joy, Langdon & Co.; Francis M. Bacon, Jr., of Bacon & Co.; Augustus F.

Libby, of H. J. Libby & Co.; Ralph L. Cutter, of Smith, Hogg & Co.; Robert B. Hirsch, of Wm. Openhym & Sons; Jacques Huber, of Schwarzenbach, Huber & Co.; Arthur L. Lesher, of Lesher, Whitman & Co., and Henry Sampson, of Alden, Sampson & Sons.

It will thus be seen that the bank is remarkably strong both in its financial and commercial connections. The officers, too, are men of wide experience in banking and thoroughly posted in mercantile credits. Edwin S. Schenck, President, was President of the National Citizens' prior to the consolidation. His official relation with banking dates from 1892, when he became Assistant Cashier of the Hamilton Bank, of New York. He advanced

NELSON A. REYNOLDS, Asst. Cashier.

ALBION K. CHAPMAN, Asst. Cashier.

to the office of President, and while holding this position, he was, in February, 1901, chosen Vice-President of the National Citizens' Bank, and in the following year elected President. During Mr. Schenck's official connection with this bank its business has grown remarkably, both in the ordinary course and by the absorption of the Ninth and Central.

Mr. Schenck was formerly Secretary of the New York State Bankers' Association, and is a member of the Union League Club and other prominent social organizations. He is a brother of Frederick B. Schenck, President of the Mercantile National Bank, of New York.

Ewald Fleitmann, Vice-President of the Citizens' Central National Bank, has long been prominently associated with the bank, being President of the National Citizens' before it absorbed the Ninth, when he resigned and accepted the Vice-Presidency. His wide experience in the dry goods trade renders him an especially good judge of the credit of firms engaged in the trade.

Henry Dimse, the Cashier, has held the same position in the National Citizens' since the beginning of 1901, prior to which time he was Vice-President of the Twelfth Ward Bank. He has had fifteen years' experience in banking and is thoroughly familiar with all the details of the business.

Nelson A. Reynolds, Assistant Cashier, was connected with the Hanover National Bank for twenty-five years, filling various positions, and finally being promoted to be city manager—a position of great responsibility. When the Hanover interests acquired control of the Ninth National, Mr. Reynolds became Cashier, and when this bank was merged with the National Citizens' he became Assistant Cashier, holding this office until he was chosen first Assistant Cashier of the Citizens' Central National.

Albion K. Chapman, also Assistant Cashier, has held the same office with the National Citizens' since 1901.

Following are the official statements of the two institutions as rendered to the Comptroller of the Currency, January 22, 1904:

	National Citizens'.	*Central National.*
Capital	$1,550,000	$1,000,000
Surplus	500,000	400,000
Undivided profits	167,868	173,296
Due National banks	1,510,136	2,326,100
Due State banks	424,972	1,963,614
Due Savings banks and trust companies	952,730	579,015
Individual deposits	6,165,093	8,007,003
United States deposits	499,878	889,000
Demand certificates	404,498	4,446

It is usual in cases of consolidations for the deposits to gain considerably by the prestige obtained by the merger, and there is no doubt that the total will soon much exceed $20,000,000.

The Citizens' Central National Bank begins business under the most favorable auspices, and its success is already assured. There is no doubt that the merger will result in greater profits to shareholders and more efficient service to the public.

Population of China.—United States Commercial Agent R. T. Greener, of Vladivostock, Siberia, under date of December 18, 1903, reports that a Russian paper, quoting from a Chinese paper, says:

According to the last census taken in China by imperial order, in view of reassessing taxes, the total number of inhabitants amounted to 426,447,325 souls. The 18 Chinese Provinces proper had 407,737,305; Manchuria, 8,500,000; Mongolia, 3,354,000; Tibet, 6,430,000; and Chinese Turkestan, 426,000 inhabitants.

Causes of Panics.—"It is not the observance of the law or its enforcement that creates panics or distress. It is willful violations of its wholesome provisions or defiance of the laws of economic health."—*Argument of Attorney-General Knox in Northern Securities Case.*

Ready to Relieve Him.—"It is a generous and helpful world," said the multi-millionaire.

"Indeed?"

"Yes; when it was announced that I desired to die a comparatively poor man there was a general movement to assist me in the enterprise."—*Washington Star.*

TRUST COMPANY RESERVES.

[Argument submitted to the Committee on Banks, Hon. John T. Smith, chairman, Assembly Chamber, Albany, New York, March 1, 1904, by Theodore Gilman, New York.]

MR. CHAIRMAN AND GENTLEMEN : Bill No. 538, to amend the banking law in relation to the lawful money reserves of trust companies, which is now before your committee for consideration, has a wider scope than its application to trust companies, in that it re-enacts the law of 1892 or thereabouts, which fixes the reserves for all the banks and bankers of the State of New York.

Prior to 1892 there appears to have been no law regulating reserves on the statute books of this State. In this respect our laws followed the precedents established in England and France, where no specified percentage of legal reserves is required. The theory seems to have been that the maintenance of reserves was a matter which should be left to the discretion, good judgment and prudence of each separate bank, and was not a province into which the lawmaking power could with propriety enter. It was a detail of the bank's business which was to be strictly kept private. The Louisiana banking law of 1842 was among the first in which is to be found a stipulation as to percentage of reserves. As usual with prototypes, the model was a good one. The reserve to be maintained by all banks was fixed at 33⅓ per cent., which conservative percentage no doubt had much to do in establishing Louisiana banking upon a sound basis in those early years. There was no penalty, however, attached to the impairment of this reserve and its maintenance depended on the good management of each bank and the supervision of the State officials.

In the National Bank Act of 1864 there is to be found the provision for a specified percentage of reserve, and added to it the penalties for impairment, which were two-fold—first, a stoppage of loaning and discounting, and second, a liability to a charge of insolvency. It was not until about 1892 that a section was added to the New York banking laws in reference to reserves. This section was taken without change from the National Bank Act. The section, however, only applied to banks and individual bankers. Now, in 1904, a bill is introduced to extend the application of this section so as to include trust companies also.

The consideration of this bill by your committee affords an opportunity to discuss the principles on which the section is based and to take counsel of the experience which has been gained in the past forty years while this provision has been part of the National Bank Act. It is a question whether this opportunity will recur in the near future, and if anything is to be said on the subject, it must be said now.

IMPORTANCE OF BANK RESERVES.

Reserves are the most important part of the credit system. The credit system, to work smoothly, must be based on adequate reserves. The credit system began with the establishment of the Bank of England, and its projectors were so infatuated with the theory of credit that they thought that a reputation for wealth based on a knowledge of actual solvency was all-sufficient to maintain obligations on a par with gold. They therefore attempted to do business with a cash reserve of two per cent., and relied on their well-known credit to maintain the solvency of the remaining ninety-eight per cent. of their obligations. The enemies of the bank easily gathered together more than two per cent. of its demand obligations, presented them in one block, and thus forced the suspension of specie payments by the bank. During the period of suspension the managers of the bank had time for reflection and were

converted to the opinion that two per cent. of reserves could not maintain solvency, and in due time twenty-five per cent. became the recognized minimum.

Subsequent experience proves that monetary disturbances do not occur when reserves are high and always occur when reserves reach a point of threatened exhaustion. As reserves are idle capital, it is evident that more money can be made for a bank with small reserves than with large. Consequently, the banks of England and the United States always endeavor to carry as small reserves as convenience or the law will permit. Whenever a disturbance occurs, then the storm-center is the condition of the bank reserves. After the Baring crisis, Mr. Goschen, then Chancellor of the British Exchequer, delivered a most instructive address, the principal subject of which was the smallness of English banking reserves as the cause of the troubles through which that country had just passed. English banking statistics are incomplete compared with those of our country, but Mr. Goschen shows that their reserves were not over ten per cent. of their total deposits, and he instances a large bank with $45,000,000 of deposits which carried but six per cent. His chief object was to devise a method by which English banks could accumulate and maintain a larger cash reserve "by which," he said, "we may give greater help in emergencies, and by which we hope that some of those fearful catastrophes which have sometimes threatened the commerce of this country (England) may be avoided." All his efforts, however, resulted in nothing, so great is the difficulty in reforming established customs even when they are acknowledged to be defective.

The best means of maintaining bank reserves has been said to be "the chief theme of discussion in banking circles" in England for many years. While such discussions are going on in the greatest commercial country of the world, it is not surprising that we have at home similar difficulties to deal with.

Small Reserves of the Trust Companies.

The banking statistics of New York State show that our trust companies are carrying but about three per cent. of cash on the amount of their obligations. It may be said in extenuation that much of these deposits are sluggish, midway between commercial and Savings bank deposits and do not require as large reserves as the former of these two classes. This might require a division of trust company deposits into two or more classes, to correspond with their character. But if the deposits are subject to check without notice, they evidently are similar to deposits in commercial banks, and as such should be protected by similar cash reserves. Also, it is claimed that the trust companies carry large deposits with clearing house banks which may be considered to be as good as cash and thus act as reserves. There is a broad distinction between lawful money on hand and a balance with a clearing-house bank. One is cash or real money, the other is a credit which may be turned into money under favorable circumstances, but which is subject to various contingencies which may prevent its becoming cash. Bank credits, carried by trust companies are like call loans of the best character.

Mr. Goschen said, in his speech above referred to:

"Cash on call is no reserve in the general sense so far as the community is concerned, because it means when you call in your money on call you are unbalancing another person while you may be relieving yourself. Let the public understand this. * * * There is no reserve to a bank having money on call in the sense in which I am discussing reserve. It is a valuable asset, but it is not an asset which consists in a reserve useful to the general interests of the community at large."

Mr. Goschen's large experience and prominent position make his remarks on this subject of the highest authority. As the banks of London in the end concentrate their demands on the Bank of England, so our trust companies rely upon clearing-house banks for their reserves. Instead of being an alleviation of the general com-

munity, this arrangement aggravates the situation in any time when the public stands in need of relief.

There is no escape from the conclusion that the safety of the business world demands that we shall not drift into the condition from which England now finds it so difficult to extricate herself, but that all demand deposits held by corporations authorized by the State to do a banking business shall be safeguarded by an adequate percentage on hand in lawful money. While it seems almost impossible for England to control this matter, it is comparatively easy for our Legislature to pass a law to accomplish the object intended.

Defects in Present Reserve Laws.

These preliminary remarks seem to be necessary to reach the particular point I desire to lay before you. Assuming it to be agreed that, following the lessons of experience and the best authorities, an adequate percentage of deposits is to be fixed which trust companies as well as banks shall hold on hand at all times in the lawful money of the United States, the question next to be disposed of is how that reserve is to be maintained and what penalties are to be imposed in any case of failure to maintain it.

The contention brought before you now is that the severity of the provision contained in the bill under consideration should be and can safely be ameliorated in the interest of the business public. This is not a matter of such great importance to banks, bankers and trust companies as it is to the public, and as your committe, Mr. Chairman, and the entire Legislature, represent the public, there can be no doubt that you will give this aspect of the question all the consideration it deserves.

The bill as drawn follows the National Bank Act and says that when the lawful money on hand shall be less than the specified reserve, the company "shall not increase its liabilities by making new loans or discounts otherwise than by purchasing bills of exchange payable at sight, nor make any dividends of its profits until the required proportion between the aggregate amount of its deposits and its lawful money of the United States has been restored. The Superintendent of Banks may notify any company whose reserve shall be deficient to make it good, and if it shall fail for thirty days thereafter to make good such reserve it may be proceeded against as insolvent."

These provisions are primarily directed against the company, but it is evident that it is only the business community that is inconvenienced thereby. Merchants and others make their arrangements for money beforehand, expecting that the facilities of the banks will be open to them. If this restriction should go into operation suddenly and a merchant should be met with a refusal of discounts, it might work great derangement of his business. The ground of refusal would be that the reserve of the bank was under the amount required by law and it was prevented by the law from making any loans or discounts until it was restored by collections and payments. On that point Mr. Goschen said, "a customer looks to the bank for facilities when the pinch comes, and if when the pinch comes the bank itself is obliged to draw in its resources, call in money, it disturbs the whole of the mercantile arrangements and the bank is not really assisting the country, but is thwarting the best interests of the banking and trading communities." If any number of companies are in the same condition and all refuse discounts, a feeling of anxiety and alarm is created among borrowers, which often quickly communicates itself to the general public, and a disturbance is needlessly created while the financial situation may be entirely sound. This state of affairs aggravates itself, and the drain of lawful money might keep pace with collections, so that the conditions of impaired reserves to a greater or less degree might continue for weeks or months, resulting in widespread distress.

This summary shutting down on the business public and peremptory discontinu-

ance of loaning and discounting are a shock to commerce and trade which should be prevented by all legal means. It is evident that the bank, banker or trust company is not inconvenienced. Their duty is prescribed by the law and is simple and plain. They must stop loaning and collect in enough of their debts to restore the reserve. The whole burden is thrown on the public. Borrowers must hurry and skurry to find money to pay bank debts, irrespective of the inconvenience and loss it may occasion them to do so. The public are squeezed for the benefit of the bank. Surely, it must be evident that the law sacrifices the public for the sake of a theory.

It results from this state of affairs that reserves cannot be legally used even in case of greatest need. They are only to be looked at. If reserve troops of an army were forbidden to be brought into action, they might as well not be present at the battle. A general could hardly excuse a defeat by saying that he had kept his reserves safely out of the conflict and they were undiminished in number after the disaster. The answer would be that perhaps if he had not kept them out of the struggle, they might have turned the defeat into a victory.

Proposal to Tax Impairment of Reserves.

How to allow the use of reserves with entire safety, is the question. "The true use of reserves of cash," writes George H. Pownal in the "Economic Journal" (London), "is to meet emergencies."

The method submitted for your consideration is that of imposing a tax on the impairment of reserves equal to a rate of interest high enough to make it unprofitable for a bank to allow the impairment to continue unless the market rate for money was excessive. If a tax at the rate of six per cent. per annum were imposed on the deficiency in reserves, it is evident that no company would allow the impairment to continue unless the rate for money was above six per cent. This would produce a far different condition from that produced by a stoppage of discounting and loaning. Many a railroad train has been wrecked by stopping too suddenly. The law as it stands puts a rock in the way of the regular course of business. The object seems to be to make the process of stopping to be as quick and sharp as it can be made.

If the occurrence of a deficiency in reserves were an indication of rottenness, there would be some reason in this summary method. But this is not the case, for it sometimes happens for weeks together that from fifteen to thirty banks in the New York Clearing-House will be below the required reserve and no such suspicion regarding the condition of the delinquent banks will exist. These banks are often known to be sound through and through and among the best managed of our New York banks. The laws of the United States and of the different States allow banks to be conducted on the credit principle, that is to maintain their solvency by a specified percentage of cash. A part of this cash, sufficient to bring their reserve below legal requirements, may be withdrawn at any time in the natural course of business without the previous knowledge of the bank. It is impossible for the bank to anticipate such withdrawals, and the law only requires the bank to keep a specified percentage of cash to meet such unusual demands. The bank might be complying with the law and all its assets be "sound" and good and yet it might, with the law as it now stands, be brought under a threat of insolvency, which its condition would not justify or warrant.

Impairment of reserve is treated in the law as if it was an impairment of capital. The two are not necessarily alike, though they may be. The present law makes no distinction between them. The banking laws of the State of New York prior to 1892 had but one cause for insolvency, that was impairment of capital. To protect the public the law provided for examinations in his discretion, by the Superintendent or his agent, and for quarterly reports by the banks. If the Superintendent of Banking has reason to believe that the capital of a bank is impaired, he has power to require the impairment to be made good. If this requisition is neglected the

bank may be proceeded against as insolvent. These two methods—examinations by the Superintendent of Banking or his agent and quarterly reports by banks—are proper, sufficient and logical ways to determine the question of solvency. A report made under oath by proper bank officials containing a true statement of the condition of the bank was not originally assented to by banks without great opposition. It was claimed that such a report gave information to competitors which a prosperous bank should not be asked to divulge. It was a great step in the direction of safeguarding the public when such reports were required by law, and it is to be noted that even now such reports are not required by law in England where they rely on the audit of public accountants. Supervision by a governmental official is perhaps a more valuable method of protection to the public in ascertaining whether or no a bank is solvent.

In 1892 or thereabouts a further test of solvency was incorporated in the law of this State, and that was the impairment of reserves. It must be evident, from what has been said heretofore, that impairment of reserves is no certain test of solvency. A bank might have all its assets in Government bonds and other good securities and yet, by a sudden prevalence of loss of confidence, have its cash depleted below the required reserve and by reason of withdrawals and hoardings have no means of increasing its reserve except by squeezing debtors, which not only aggravates the situation but damages its own business. The impaired reserve in such a case does not imply in any sense or to any degree an impairment of capital. No offense has been commited by the bank that should put it in peril of a charge of insolvency, no change in its condition has occured which in fact has made it less solvent than it was before the impairment occurred. In such a case the assets of the bank would be just as good, sound and solid as they were before impairment. Therefore it is claimed that it is not justified in reason and it should not be asserted in the law that an impairment of reserve should be classed as a ground for suspicion of a state of insolvency. The whole question of insolvency should be determined by the well-established methods of governmental supervision and sworn reports.

To guard against cases where a bank might refuse to bear its proper share of the burden of maintaining the cash reserves at the legal minimum, it is well to give the Superintendent of Banking the power to require a delinquent bank to make good its cash reserve, and if it fails for thirty days to make it good, to proceed against such bank as an insolvent moneyed corporation.

Thus by striking out the method of restoring reserves by a stoppage of business and inserting in its place a tax on deficiencies, and coupling with this the power of declaring a delinquent to be insolvent after thirty days' refusal to restore reserves, there would be a combination of elasticity with rigidity which would greatly promote the peace and quiet of the business public.

Elasticity is a small matter in the mechanism of currency as in all other machinery to which it is applied. The "give" in a buffer platform of a Pullman car is small compared with the length of the car. The car is rigid in its construction. The elastic spring needed to make the car stop and start noiselessly is a small matter. The oil used in the machinery is trifling in weight, and the thickness of a coating on piston rods is almost infinitesimal, and yet it is all-sufficient to prevent friction and secure easy working. While a more important provision than a tax on deficiency of reserves in place of a stoppage of business may be required to prevent panics, as I have argued elsewhere, still this amelioration of a harsh law would act in many instances like oil to prevent financial friction.

In addition to these considerations, your attention is asked to a question of equity between banks which would be adjusted by a tax on deficiency in reserves. Mr. Goschen in the speech already referred to, says of London banks, "You have this remarkable fact that the soundest and strongest banks may be making the smallest

dividends, while the more imprudent banks who invest the depositors' money, leaving a small reserve, are able to show much larger dividends to their shareholders. Why are the latter able to take this course? Because they may have the conviction that the failure of any one of these big banks would be such a disaster to the whole community that the other banks would be compelled to come to their assistance and to rescue the offending banks from the consequences of their offences by themselves undertaking a part of their liabilities. The more imprudent banks will say, 'There is no imprudence. We shall never be allowed to fail, our fellow bankers must come to our assistance, and if not our fellow bankers then the Bank of England, and if not the Bank of England, then the Government.' I say that gives us a *locus standi*, and in the same way the Government has a *locus standi* with regard to shipping and has said that excessive cargoes shall not be carried because they are dangerous to the safety of the public, the question may arise whether the public might have the right to say no excessive cargo shall be carried by a bank receiving public money—that business shall be conducted in a manner which shall be considered safe by the community at large?" This criticism of Mr. Goschen's may find a lodgment elsewhere than in London. Does he not touch a tender spot near home? If some of our banks systematically run below their legal requirement, they weaken the financial situation to that extent. In case of trouble they will get assistance from the stronger banks. It is only just between banks that banks which run short of reserves should pay a tax on their deficiency so that they would not be making money at the expense of their neighbors. There would then be some compensation to the banks which are managed most prudently and who carry the largest reserves.

The change now proposed in bill No. 538 under consideration by your committee has to do with the sentence on the second page of the printed copy of the bill beginning at the eighth line, which in its present shape reads as follows: "If the lawful money reserve of any bank, individual banker or trust company shall be less than the amount required by this section, such bank, individual banker or trust company shall not increase its liability by making any new loans or discount otherwise than by discounting bills of exchange payable on sight, or making any dividends of profits, until the full amount of its lawful money reserve has been restored." As proposed to be changed it would read as follows:

"If the lawful money reserve of any bank, individual banker or trust company shall be less than the amount required by this section, such bank, individual banker or trust company shall be liable to pay and shall pay, into the treasury of this State, to be applied to the current expenses of the banking department, a tax in amount equal to six per centum per annum on the aggregate amount of such deficiency or deficiencies in the reserve below the legal requirement for such bank, individual banker or trust company and said tax shall be paid annually on or before the first day of February in each year for the deficiency or deficiencies during the year ending the preceding thirty-first day of December."

There is no place in the Union where the alleviation coming from this reform would be felt more than right here in New York. Any ease in New York is felt throughout the whole country. The plea is not in behalf of the banks but of the public. It is right and proper for New York to take the lead in a reform of this kind. New York in 1838 passed the general banking law which has moulded the banking system of this country, and some of its principles were incorporated in the present charter of the Bank of England in 1844. The National Bank Act was modeled on the New York law, but the section containing penalties for impaired reserves seems to have originated in Washington.

Reforms are slow, but those which tend to ameliorate the severity of old laws are more popular under a republican form of government than under any other. This is but natural, for the penal laws have been made by the rich and imposed on the public. Under a government controlled by the people, their representatives see to it that there shall be no privileged classes and no oppressive legislation. From the very foundation of our Government the movement for the amelioration of laws has made steady progress. There is, however, always to be met an inertia of public sentiment which must be overcome. Sometimes it takes a revolution or other great upheaval to do it. We read in the Declaration of Independence as follows: "All experience hath shown that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed." This conservatism should not control in any case where the reform is based on right principles and equities, and such it is claimed is the present case.

A QUARTER OF A CENTURY OF GOLD PAYMENTS.

January 1, 1904, completed the operation of a quarter of a century of one of the most important fiscal laws ever placed on the national statute book. This was the law signed by President Grant on January 14, 1875, which went into effect on January 1, 1879, which brought the entire volume of the country's circulation up to the gold level on the latter date, and which has held it up to that line ever since. Like most of the other great enactments of Congress, there was much partisan politics in the movement which led to the passage of the resumption law, as there was also in the conditions which made that statute necessary. These conditions began with the Civil War, which necessitated the use of a much larger volume of money, bank notes and specie, than was in the country at the time. It was estimated that at the beginning of the war there was about $250,000,000 of gold and silver and $200,000,000 of bank notes in the country, a fourth of which was in the States in insurrection. The suspension of specie payments by the banks on December 30, 1861, and by the Government a day later, rendered the adoption of additional circulation necessary, and this brought out the legal-tender notes, or greenbacks. Taxation, it was believed, would not furnish all the money which was needed.

On February 25, 1862, President Lincoln signed an act to "authorize the issue of United States notes, and for the redemption or funding thereof, and for funding the floating debt of the United States." Under this act $150,000,000 of legal-tender notes, afterward popularly known as greenbacks, was emitted. This amount was deemed to be inadequate, as the expenses of the Government in creating and supporting armies and navies at that time was in the neighborhood of $2,000,000 a day, which expense was, of course, greatly increased by the issue of this irredeemable paper, which immediately went to a discount in terms of gold and silver. These metals, to a large extent, went out of the country or went into hiding in it, and the bank notes and the greenbacks became practically the sole circulation of the country. The greenbacks were legal tender for all dues, public and private, except customs duties and interest on the public debt, both of which were made payable in coin. Another $150,000,000 of the notes was issued on July 11, 1862, and still another for the same amount was put out on March 3, 1863. Before the last-named date, or on February 25, 1863, the National banking system was established, which added something to the circulation, the National bank notes eventually displacing the State bank issues, which were taxed out of existence just after the war. The largest amount of the greenbacks outstanding at any one time was $449,000,000, on January 3, 1864.

The Republican party being in control of the Government at the time, it was responsible for the greenback legislation. Not all the Republicans, however, favored it. Justin S. Morrill, Roscoe Conkling, Owen Lovejoy and others opposed it at its first adoption and with them were most of the Democrats. Clement L. Vallandigham and George H. Pendleton taking a conspicuous part against this legislation. On the score of necessity as a war measure this legislation was put through Congress, the bulk of the Republicans voting for it. The intention at the time evidently was to retire the greenbacks as soon as practicable after the drain on the Government for the prosecution of the war should cease. The first and second of the acts provided for the exchange of the legal tenders into bonds on July 1, 1863, but the third of the acts, that of March 3, 1863, took away this option. Of course, this was

not only a violation of the Government's contract with the holder of the notes, but it immediately lowered their value in the markets, sent up the prices of all commodities in terms of this currency, immensely increased the cost of the war and delayed for years the work of resuming gold payments by the Government.

Shortly after the war ended the purpose of most of the Republicans, who were largely in the preponderance in both branches of Congress, to retire the greenbacks began to assert itself, and by an act signed by Johnson on March 12, 1866, a beginning was made in the work of contraction. By this time, however, the pressure of the hard times due to the increase of the supply of most commodities after the disbandment of the armies and the decrease in the demand, created a sentiment which favored the expansion of this currency. Most of the Democrats who had opposed the issue of the greenbacks at the outset as a war measure now championed their retention as a permanent element of the circulation and favored the increase in their volume. Among the Democratic leaders who made this change of base were Pendleton and Vallandigham. The clamor against the reduction of the volume of the notes stopped their retirement temporarily in 1867, and by alternate slight expansions and contractions afterward the amount was reduced to $346,681,016 on May 31, 1878, when an act was passed stopping all further contraction.

The attitude of each of the great parties as a National organization on the finance question was brought out in 1868 for the first time. In their convention at Chicago in May of that year, in which Grant was nominated the first time, the Republicans declared : "We denounce all forms of repudiation as a National crime; and the National honor requires the payment of the public indebtedness in the uttermost good faith to all creditors, at home and abroad, not only according to the letter, but the spirit of the law under which it was contracted." The Democratic convention, which met in New York on July 4, and which nominated Seymour, demanded that "where the obligations of the Government do not expressly state upon their face, or the law under which they were issued does not provide, that they shall be paid in coin, they ought, in right and in justice, to be paid in the lawful money of the United States." This was the Democratic party's answer to the Republican's challenge of six weeks earlier. Seymour, however, who stood upon that platform, was opposed to that pronouncement. It was the Pendleton element of the party which put that deliverance into the platform, and Pendleton led in the convention as a Presidential aspirant for many ballots. One of the first bills signed by President Grant, which he approved on March 18, 1869, two weeks after he entered office, pledged the faith of the Government to the payment, in coin or its equivalent, of the greenbacks and bonds; to pay the interest of the latter in coin, except where the laws authorizing their issue provided for their payment in other forms of money; and stipulated that the greenbacks should be redeemed in coin at the earliest practicable period. This measure was well named an "act to strengthen the public credit." It sent the value of the Government bonds up, and it diminished the gap between gold and greenbacks.

It was in Grant's second term, however, that the final part of the work of restoring gold and silver to the circulation was accomplished. In April, 1874, a bill was passed which would have increased the volume of the greenbacks, and, of course, to this extent, delay the work of raising them to the gold level. This bill was favored by the West and opposed by the East, most of the Republicans between the Alleghenies and the Pacific siding with the Democrats in favor of it, and many of the Eastern States joining the Republicans in opposition. Great excitement was caused throughout the country at the time, on account of the report that Grant intended to sign the bill. He was a Western man, and many of his party friends in that section were enthusiastically in favor of the measure. The newspapers of the country gave more space to the question than they had done to any other financial issue

which appeared along to that date. Public meetings were held in New York, Boston, Philadelphia, and other towns on the Atlantic seaboard, to urge Grant to veto the bill. All the great financial interests of the United States joined in the propaganda against the measure. Grant vetoed the bill on April 22, 1874, in one of the strongest messages ever emanating from an occupant of the White House.

Grant followed his inflation bill veto of 1874 by some effective work in the same direction. Orally and by letter he urged Conkling, Edmunds, Sherman, Morrill, Jones of Nevada and the other Republican leaders to take immediate steps to bring the currency back to the specie basis, from which it had been separated since the beginning of 1862. Moreover, in his efforts he got some very powerful aid from the Democratic party, which was opposed to his policy. In November, 1874, the Democrats carried the country for the House of Representatives for the first time since Buchanan's election in 1856, and all the Republicans knew that whatever was to be done at all in favor of resumption had to be done in the short session of the existing Congress. Some work was done immediately after Congress met in December, which showed that both the upper and the lower branch can act promptly when the spirit wills it. John Sherman, from the committee on finance, reported a resumption bill to the Senate on December 21, 1874, two weeks after Congress met. It passed that body a day later by a vote of 32 (31 Republicans and 1 Liberal Republican), and it went through the House on January 7, 1875, by 136 (all Republicans) to 98 (78 Democrats and 20 Republicans). It was signed by President Grant on January 14, and went into operation four years later, January 1, 1879.

In the light of after events, it was seen that the enactment of the specie resumption law at that particular moment was providential. A year or two earlier there was a chance that such a measure could not get enough Republican votes to carry it over the combined opposition of the hostile element of the Republicans and the solid body of the Democrats. A few months later the passage would have been impossible, for the Democratic House which entered power then would block the way. The control of the House, which the Democrats secured seven weeks after Grant placed his signature on the resumption law, lasted until Garfield entered office, six years later, in 1881. Democratic hostility to resumption continued to the time it went into operation, in the second half of Hayes' term. In their platform of 1875 the Democrats declared that "We denounce the resumption clause of the act of 1875 and demand its repeal." Tilden, however, the candidate of 1876, was favorable to the general line of legislation represented by the resumption law, and might have vetoed a repeal bill had he been elected. Several attempts were made by the Democrats, who were in control in the House, to repeal the law in 1877 and 1878, but, of course, with the President against them in those years, the effort was vain.

Through a rare piece of good fortune, the man who took the leading part in Congress, John Sherman, in pushing the resumption bill, was the man who, as head of the Treasury, put it in operation. Sherman, immediately on entering office, in March, 1877, in the Hayes cabinet, began his preparation for resumption, and by the time that January 1, 1879, was reached be had gathered $133,000,000 in gold in the Treasury, $96,000,000 of which was the proceeds of bond sales under the resumption act, and the remainder was obtained in the revenues. Gold went to a premium, as expressed in the paper currency of the time, immediately after the suspension of specie payments by the Treasury on the last day of December, 1861. The gap between it and currency broadened as the war went on, fluctuating with the vicissitudes of the fortunes of the Union. After a Union defeat, the gap widened, which means that currency went down, as expressed in terms of gold, and gold went up. The highest point reached by gold was on July 11, 1864, when it would have taken $2.85 in greenbacks or other currency to buy $1 of the metal. After Appomattox there was a drop in gold, and, with some variations, the gulf between the paper and the metal

gradually narrowed for several years. The public credit act of 1869, as before mentioned, sent greenbacks up a few points and gold down. The resumption law immediately on its enactment in 1875 greatly improved the Government's credit, the average value of $1 in currency for January, 1875, being 88 cents in gold. Tbe entire gap between the two disappeared by January 1, 1879, and the country's currency, for the first time in eighteen years, went to the gold line without a jar.

The resumption act's salutary effects did not end with the restoration of the currency to the gold line in 1879. The silver inflation was still to appear and present as great a peril as did the greenback inflation. The first of the silver acts, the Bland-Allison law, was passed over the veto of President Hayes on February 28, 1878, ten months before the resumption act went into effect. At that date the value of the pure silver in the dollar was about 90 cents in gold. With some fluctuations this figure declined until the passage of the Sherman bullion deposit law in 1890, when the price of the metal went up for a few weeks, after which the drop came again. At the time when President Cleveland called Congress in extra session in the summer of 1893 to deal with the financial convulsion which was precipitated in that year, the price of the silver in the dollar had dropped to 60 cents. After a hard struggle the purchase clause of the Sherman law was repealed on November 1, 1893, and silver buying by the Government ceased. The decline continued, and the metal has been down below the 40-cent mark recently.

It was after the stoppage of silver purchases, however, that the resumption act resumed its beneficent work. The provision which authorized the Secretary of the Treasury to sell bonds to maintain gold payments (the word coin being interpreted to mean gold) was utilized by Mr. Cleveland to preserve the redemption fund when the silver dilution of the currency and the fear of tariff changes brought on the distrust which depleted the Treasury. Between February 1, 1894, and the same month in 1896, $262,000,000 of bonds were sold, under which the redemption fund was replenished and the Government's finances kept reasonably safe. One clause of the Sherman law of 1890 recited that it was the "established policy of the United States to maintain the two metals on a parity with each other upon the present legal ratio, or such ratio as may be provided by law." That part of the act of 1890 was not touched by the repeal of the purchase provision in 1893. The principle thus laid down was carried out by President Cleveland in the crisis of 1894–96 by aid of the bond-sale provision of the resumption act, and thus the law which went into operation on January 1, 1879, saved the country's credit in two crises.—CHARLES M. HARVEY, *in St. Louis Globe-Democrat.*

A LAND OF NO MONEY.—"I have just returned from eastern Kentucky, where I went to inspect some timber," said L. A. Hotchkins of Norfolk. "My principal operations were in Leslie county, and I was surprised to discover a community in the United States where money is unknown, or practically so. The entire business of this community is done on the barter system. The country storekeepers exchange merchandise for anything and everything the natives have to sell, and ship this motley array of products down to Catlettsburg, where the merchant has it placed in bank to his credit, when he orders more goods, paying for them with check. These merchants usually keep a small amount of money in case it should be required, but the natives, as a rule, do not handle a cent of cash from one year's end to the other. They barter among themselves and with the merchants, and when I bought lands the most of those who sold to me would not accept my money until the merchants assured them that it was genuine. Leslie county is in the heart of the Kentucky mountains, and is very sparsely populated, which accounts for its primitive condition, but it is probably the only section of the United States remaining where the people do not know what money is."—*Lexington Herald.*

NEW NATIONAL BANKS THAT HAVE RETIRED.

It is four years since the National Banking Act was amended so as to permit National banks to be organized with less than $50,000 capital, the minimum being reduced to $25,000. Since March 14, 1900, the date the amended law went into effect, down to March 19, 1904, there have been 1,914 National banks organized, of which 213 were conversions of State banks, 615 reorganizations of State or private banks, and 1,086 primary organizations. The National banks organized since March 14, 1900, classified according to capital, were as follows:

	Number of banks.	*Aggregate capital.*
Less than $50,000 each	1,252	$32,608,000
$50,000 or over	662	78,785,000
Total	1,914	$111,393,000

Of the small banks organized 718 were of primary organization, having had no previous existence. At the time the reduction in the minimum capital was under discussion, the question was raised whether it would not result in the creation of banks for which there was no absolute need, and which would soon succumb to the lack of support.

So far it must be confessed the results have not been such as to justify this apprehension. The failures among these new banks have been few, while the number that have gone into voluntary liquidation bears a very small ratio to the number organized. Only nine new banks went into Receivers' hands and of these only five were banks having less than $50,000 capital. Forty banks went into voluntary liquidation, and of these eighteen were banks with less than $50,000 capital each and twenty-two with $50,000 or more capital. The following table shows the number and capital of the banks organized since March 14, 1900, which have closed up, either through failure or voluntary liquidation:

CAPITAL OF $50,000 OR OVER.			CAPITAL LESS THAN $50,000.		
Banks.	*Capital each.*	*Aggregate capital.*	*Banks.*	*Capital each.*	*Aggregate capital.*
14	$50,000	$700,000	17	$25,000	$425,000
1	60,000	60,000	4	30,000	120,000
2	100,000	200,000	1	35,000	35,000
4	200,000	800,000	1	40,000	40,000
1	250,000	250,000			
3	500,000	1,500,000			
1	1,500,000	1,500,000			
26	....	$5,010,000	23	....	$620,000

Of the forty-nine banks with an aggregate capital of $5,630,000 which closed there were twenty-six with a capital of $50,000 or more each, their aggregate capital being $5,010,000, and only twenty-three of the smaller banks with an aggregate capital of $620,000. About one out of fifty-four of the small banks closed, as against one out of twenty-eight of the larger banks.

An investigation of the individual history of these institutions which have retired from business disclosed the interesting fact that the fatalities among the small banks are usually early in their career. The length of existence of the closed banks ranged from twenty days to three years and ten months. The bank which died the quickest was an Ohio bank with a capital of $200,000, while the bank which survived the

longest was a bank in New York State, and it also had a capital of $200,000. More than one-half of the small banks which expired lived less than one year and only one bank with $25,000 capital closed after being in operation three years.

The following table shows the relative longevity of the small and large banks which are under consideration :

Survived.	Capital less than $50,000 each.		Capital $50,000 or over.	
	Banks.	*Aggregate capital.*	*Banks.*	*Aggregate capital.*
Less than six months	7	$180,000	3	$300,000
" " one year	5	135,000	1	60,000
" " one and a half years	4	110,000	3	600,000
" " two years	2	55,000	6	2,500,000
" " two and a half years	3	90,000	8	500,000
" " three years	1	25,000	3	800,000
" " three and a half years	1	25,000	1	50,000
" " four years	..	......	1	200,000
Total	23	$620,000	26	$5,010,000

Eliminating the banks which expired during the first year of their existence, the casualties among the small banks during the past four years have been very much less than might reasonably have been expected. It must be admitted that four years is too short a period to measure the stability of a banking institution, and when it is considered that very many of the new banks have been organized a much shorter time than four years, some of them not even four weeks, it will be apparent that the question of the ability of the small National banks to sustain their existence is not yet settled by experience.

In the organization of small banks Texas leads with 149 of which six have closed. Minnesota is second with 120 new small banks and not a single one closed. In Pennsylvania 100 small banks have been organized, two of which have closed. The record for some of the other States and Territories as regards the organization of small banks is as follows: Oklahoma, seventy-six organized four closed; Illinois, seventy-four organized one closed; Iowa, seventy-three organized one closed; Indian Territory, seventy two organized one closed; Ohio, sixty-three organized one closed; North Dakota, fifty-six organized none closed; Indiana, forty organized two closed; Nebraska, forty organized none closed; Kansas, thirty-eight organized none closed; South Dakota, thirty-three organized none closed. The only other States in which newly-organized National banks with less than $50,000 capital have closed are: Virginia, Arkansas, Tennessee, Oregon and Idaho, each one bank.

A Criticism of Organized Labor.—We have had somewhat overmuch of the organization of labor. It has long been preached to us as a panacea for tyrannies and iniquities of all sorts; and now we have got it, and it bids fair to be the most galling tyranny and the biggest iniquity of all. Organization of labor means the submission of the many workers to the leadership of the few. It means, to be sure, the rule of majorities, but often of majorities that cannot think and are controlled and driven by a few energetic spirits. No doubt its legitimate ends are worthy and its legitimate uses vastly important. No doubt it has come to stay; but it has not come to override law, flout justice, and put shackles on arms that should be free. We seem to have been so prosperous that we could better afford to bribe than to resist. Our time has been so valuable that we could not spare enough of it to enforce the laws, and especially those laws which should protect every man in earning his bread in any honest way that suits him.—*Scribner's Magazine.*

MONEY AND BANKING IN CHINA.

[From U. S. Monthly Summary of Commerce and Finance.]

The money of China is uncertain as to quantity and quality. No accurate estimate has been made of the amount of money in circulation in the Empire, while no accurate statement can be made to-day of what its value will be to-morrow. Based upon silver, its value fluctuates with the changes in the market price of silver. The copper "cash," valued at about one-tenth of a cent, is the actual circulating medium, while the tael is the nominal standard for larger sums, it being merely a given weight of silver and not a coin. Actual silver circulates in two forms, the "dollar" and the "sycee." The dollar was originally the Mexican dollar, and became a popular and generally accepted form of currency wherever obtained. So convenient was it that large quantities were imported for use as currency. More recently, however, mints for the coinage of "dollars" purporting to be of weight and fineness equal to Mexican coin have been established, not by the central Government, but by the authorities of the various provinces, and the result is that the rivalry between these provincial mints has reduced the weight and finenesss of the "dollars" which they issue until the provincial silver "dollars" are looked upon with distrust. Additional mints, however, are being established, the machinery for them being from the United States. Some half dozen of the cities of China have now their mints for the coinage of "dollars," and work is in progress upon local mints in other cities; so that by the end of the present year, according to a recent issue of the "North China Daily News," at least ten different kinds of silver coins purporting to be "dollars" will be upon the market. In addition to this uncertainty, may be pointed out the fact that the "tael" differs in various cities and provinces, the weight of silver recognized as a tael being greater at some points than at others. The consequence is that while the haikwan (or customs) tael was worth on January 1, 1904, 69.8 cents (gold), the Amoy tael was worth but 68.6 cents, the Canton tael 68.4 cents, the Chinkiang tael 67 cents, the Ningpo tael 66 cents, the Chefoo tael 65.6 cents, the Hankow tael 64.2 cents, the Foochow tael 63.5 cents, and the Shanghai tael 62.7 cents. Even the "sycee," which is an actual quantity of silver cast in the form of a shoe with the weight written upon it in Chinese characters, is somewhat uncertain as to its value, both by reason of the constant fluctuation in the price of the silver which it contains and the uncertainty as to the fineness of the silver utilized.

All efforts to learn the exact fineness of the standard silver used in the sycee have been unsuccessful, though the estimates put the rate at ninety-seven one-hundredths, which is considerably in excess of the American coin, which is ninety one-hundredths fine. The sycee is merely an indefinite quantity of silver cast in the form of a woman's shoe, its actual weight being determined by agents or officers appointed by the merchants to weigh the sycees, accuracy and integrity on their part being insured by actual physical decapitation of those who are found dishonest. Even the "cash," a copper and zinc coin about the size of our 25-cent piece, having a square hole in the center for convenience in stringing quantities of them together, varies greatly both in fineness and weight, in some cases 1,000 of them being equal to a "dollar," while others nearly 2,000 are required to equal a "dollar." Gold coin is practically unknown in China, no coins of this metal being made at the mints, and gold coins of other countries have seldom, if ever, circulated, though the value of the metal is fully recognized, and gold, whether in coin or bulk, proves a medium of exchange upon determination of its weight and fineness when occasion requires.

The uncertainty as to the quality and quantity of the metals contained in the various coins and measures of weight makes an attempt to indicate the relative value of the monetary units difficult and somewhat uncertain, though a recent official (consular) statement puts the relative values as follows:

10 cash	=1 conderin.
10 conderin....................................	=1 mace.
10 mace	=1 tael.
1 tael...	=1⅓ ounces (avoirdupois) of silver.

(Value of haikwan tael on January 1, 1904, 69.8 cents.)

Mexican dollars and local dollars thus equal about three-fourths of one haikwan tael in value, though no official relationship exists save in the weight and fineness of metal in the dollars compared with the standard tael.

All customs duties are collected in what is known as the "haikwan tael," which has a somewhat higher value than the tael standard accepted in the respective cities.

The paper money is under even less regulation than the metallic. There are few banks of issue in China, and those mainly located at Peking. These issue notes as low as ten cents in value, but these have usually only a local circulation. Paper money was issued in China more than two thousand years ago, and its use continued in a greater or less degree until about 1450, when it was suspended and has been but recently resumed, and that in but small quantities.

Chinese banks, especially those at Peking and the discount banks in the cities of the provinces, are under governmental supervision by reason of the fact that they perform the functions of a treasury for the Government, and therefore have a high standing with the business public. Foreign interests in the banking line are represented in nearly all cities where foreigners reside or visit, agents representing a number of great banking establishments being found in all cities of this class. The Hongkong and Shanghai Banking Corporation, incorporated in 1864, has a capital of $10,000,000 and has its representatives in nearly all the treaty ports and some of the other important cities of China, while the Imperial Bank of China, the Mercantile National Bank of India, the Russian Bank of Foreign Trade, the Bank of China, and Japan, the Deutsch-Asiatiche Bank, and the Central Bank of India, Australia, and China also have agents and in some cases regularly established banking houses in many of the more important cities. Exchange quotations are published daily by bankers and brokers, and business transactions between any of the treaty ports and the great financial circles of America or Europe are thus rendered practicable. Business between the various treaty ports may thus readily be carried on through the bankers' agents, and transactions between these points, in small sums, are facilitated by a postal money-order system which was put in operation by the Government about a year since, by which sums from $1 upward may be transmitted on payment of a fee at the rate of about two cents per dollar, each remittance being limited to $10, but there is no limit as to the number of remittances issuable to the same applicant.

Permits National Banks to Invest in Real Estate.—The full text of the Lewis' bill reported by the Banking and Currency Committee reads: "That the seventh sub-division of section fifty-one hundred and thirty-six, revised statutes of the United States be, and the same is hereby, amended to read as follows:

Seventh—To exercise by its board of directors or duly authorized officers or agents, subject to law, all such incidental powers as shall be necessary to carry on the business of banking; by discounting and negotiating promissory notes, drafts, bills of exchange, and other evidences of debt; by receiving deposits, by buying and selling exchange, coin and bullion; by loaning money on personal security; by loaning money upon notes, bonds, or other evidences of debt secured by mortgages, or other instruments of security, on unincumbered real estate situated in the State, Territory or district, where such association is located, worth exclusive of buildings, on conservative market valuation, double the amount of the loan thereon; provided, however, that not more than twenty-five per centum of the capital of such association shall at any time be invested in such real estate securities; and by obtaining, issuing and circulating notes according to the provisions of this title; but no association shall transact any business except such as is incidental and necessarily preliminary to its organization until it has been authorized by the Comptroller of the Currency to commence the business of banking."

A Useful Library.—W. T. Jackman, of the University of Vermont, Burlington, Vt., writes as follows under date of March 22:

"I send you herewith money order in renewal of my subscription to The Bankers' Magazine, so that I may not miss any of the numbers. To have these bound in good form and kept for permanent reference is to have a library of useful material which could not be obtained in any other way. I trust you will accept this tribute of praise for your excellent publication, each number of which is replete with full information and suggestions which are put in a very interesting way. I use the Magazine constantly in my classes here, and so highly do I value it that I could hardly get along without it. With best wishes for your success, I am, Yours very truly, W. T. Jackman."

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—Messrs. Hallgarten & Co. will move shortly from their present offices at 74 Broadway to the Hanover Bank Building, at Pine and Nassau streets, where they have taken a long lease of the entire third floor.

—The Bank of New York, whose constitution was drawn by Alexander Hamilton, celebrated its 120th anniversary on March 15.

—A movement is under way to organize a new National bank in this city to be known as the McKinley National Bank, with a capital of $200,000 and a surplus of $100,000. Among those interested are Willis S. Paine, Robert J. Hoguet, William Hanhart, Howard P. Townsley and Eugene S. Schaick.

—Stockholders of the Mechanics' National Bank and the Leather Manufacturers' National Bank have been informed of the detailed plans for the merger which has been under consideration for some time.

In brief the plan is that the Mechanics' Bank is to absorb the business of the Leather Manufacturers' Bank, the latter to go into liquidation. The capital of the Mechanics' Bank is to be increased from $2,000,000 to $3,000,000 for the purpose of effecting the consolidation. With this increase of $1,000,000 the $600,000 capital stock of the Leather Manufacturers' National is to be acquired, and of the balance of $400,000 new stock $90,000 is available for subscription by stockholders of the Leather Manufacturers' National Bank and the balance for subscription by stockholders of the Mechanics' National, to the extent of fifteen per cent. of holdings.

It has been generally understood that Gates W. McGarrah will become the President of the enlarged bank. Mr. McGarrah is now President of the Leather Manufacturers' Bank. The board of directors of the Leather Manufacturs' Bank will go over as a body into the directorate of the Mechanics' National when the merger takes effect. It is also likely that the present office of the Mechanics' Bank will be utilized.

—The Italian-American Trust Co. is in process of organization with $500,000 capital and $50,000 paid-in surplus. Emanuel Gerli, silk importer, 52 Greene street, is mentioned for President of the new institution.

—The Mechanics' Bank, of Brooklyn, will build a ten-story addition to its present building, making it one of the largest and and finest bank and office buildings in Brooklyn. The new building will have 140 feet front on both Court and Fulton streets.

—It is reported that the committee of depositors which has been considering propositions to replace the Bank of Staten Island has decided in favor of the offer of J. W. Place & Co., who will finance a new National bank, taking the capital stock not subscribed for locally. The people having accounts with the Bank of Staten Island will be dealt with so that they can realize a part of their claims, and those owing the bank will be enabled to adjust matters. The new bank will be known as the Richmond Borough National Bank, and will be capitalized at $100,000. It will probably occupy the building owned by the Bank of Staten Island, and eventually will purchase the property.

—The New York Produce Exchange Bank, at present located in the Produce Exchange Building, some time ago acquired the property at 10 Broadway and more recently bought No. 12 also and will tear down both buildings and erect on the site a modern office building, the bank occupying the main floor.

—Oscar L. Gubelman, third Vice-President of the Commercial Trust Co. of New Jersey, Jersey City, recently resigned that position to become third Vice-President of the Guaranty Trust Co., of this city. Mr. Gubelman had been connected with the Commercial Trust Co. since its organization, having been at first Secretary and Treasurer.

—John C. Van Cleaf, Assistant Cashier of the National Park Bank, has been elected Vice-President of the Mutual Bank, in place of A. H. Wiggin, who recently resigned as Vice-President of the National Park Bank to become Vice-President of the Chase National Bank. Mr. Van Cleaf has long been in charge of the credit department of the National Park Bank, and is well known for his work in that connection.

—Control of the Federal Bank was recently acquired by William M. Woods, formerly Vice-President of the Central National Bank, and Robert Doolittle, who was for many years connected with the Importers and Traders' National Bank. Mr. Woods has been elected President of the Federal Bank and Mr. Doolittle, Cashier, all the directors and officers having resigned, except Assistant Cashier Geo. F. Frost, whose services will be retained by the new management.

—Negotiations have just been completed whereby New York Chapter of the American Institute of Bank Clerks will hereafter conduct its meetings and maintain its headquarters in the building of the University of the City of New York, at University Square. Early in the season the chapter established rooms for itself at 198 Fifth avenue, and, through the generosity of the bank officers of New York city, representing some of the most prominent bankers in the United States, succeeded in furnishing them not only in a manner which would be of practical service to the members, but in a way which might truthfully be termed as luxurious. The experiment proved highly successful, as the rooms have been maintained to the entire satisfaction of the members, and have helped to make the chapter a popular organization among the bank clerks of the city. They enabled the organization to work out the lines which the governors have had in mind for some time in respect to the establishment of a financial library accessible to the students of banking, and many valuable works have been added to the shelves since the rooms were opened.

The success with which the first venture was met is what suggested the arrangements just made with the University of the City of New York, and the chapter feels that it is exceedingly fortunate in having the assistance of such a valuable institution in the conduct of its work.

The rooms of the New York University will be fitted up with a library and reading room, special committee rooms, and a large lecture room, and with the furniture and fixtures which the chapter now possesses, in addition to that which they anticipate procuring, these rooms will be completely furnished and equipped. In addition to the natural advantages which the rooms will offer, the chapter has made a special arrangement with the University whereby its members, by presenting their membership cards showing that they are in good standing, may secure very material reductions in the tuition fees of the University School of Commerce, Accounts and Finance. The members will in addition be afforded the use of its extensive library, maintained in the building, on the subjects of Commerce, Accounts and Finance, as well as the use of the Law Library upon special application.

These valuable opportunities, it is believed, will be eagerly sought after by the ambitious bank clerks of the city, and will result in adding materially to the membership of the chapter. It has been the ambition of New York Chapter to conduct its work along strictly practical lines, and this new move is but one of the evidences of the successful carrying out of this policy. Members from out-of-town chapters visiting New York will be afforded the use of the new rooms as their headquarters, and all institute members are cordially invited to make use of them whenever they are in the city.

It is not the intention of the governing body of the chapter to allow their past success to interfere with the further promotion of ideas which may come up from time to time for the furthering of institute work, but as all active men in the work are enthusiastic and progressive, the desire is manifest to promote every new idea that has for its object the benefiting of the bank clerks in their locality, and the upbuilding of the American Institute of Bank Clerks.

—Mention was made in the March issue of the MAGAZINE of the merger of the Continental Trust Co. with the New York Security and Trust Co., the last-named being the succeeding institution. The complete list of officers and trustees follows:

President, Otto T. Bannard; first Vice-President, Osborn W. Bright; second Vice-President, Willard V. King; third Vice-President, Alexander S. Webb. Jr.; Secretary, Henry E. Ahern; Treasurer, Mortimer N. Buckner; Assistant Secretary, Frederick J. Horne; second Assistant Secretary, Herbert W. Morse.

Trustees: Otto T. Bannard, S. Reading Bertron, James A. Blair, Osborn W. Bright, Robert W. de Forest, John B. Dennis, Charles S. Fairchild, Marshall Field, Charles W. Harkness, James J. Hill, F. N. Hoffstot, Frederic B. Jennings, Walter Jennings, Willard V. King, Woodbury Langdon, John A. McCall, Gordon Macdonald, John J. Mitchell, Charles Parsons, John S. Phipps, Geo. W. Perkins, E. Parmalee Prentice, Edmund D. Randolph, Norman B. Ream, B. Aymar Sands, John W. Sterling, James Stillman, Myles Tierney, P. A. Valentine, Alexander S. Webb, Jr.

NEW ENGLAND STATES.

Boston.—Lucius W. Conant, who has been connected with the Merchants' National Bank for some time, was recently appointed Assistant Cashier of that institution.

New Hampshire Bank Commissioner.—Col. Richard M. Scammon has been appointed a Bank Commissioner, to fill out the term of John Hatch, deceased,

MIDDLE STATES.

Baltimore.—The Federal Savings Bank has been absorbed by the Hopkins Savings Bank, the business of the two institutions being continued under the title of the latter.

—Although the building of the United States Fidelity and Casualty Company was destroyed by the late fire, the financial position of the company was not in the least affected. Its securities were in safe-deposit vaults and were uninjured, while the building and contents were covered by insurance.

The company has remodelled a three-story building at 16 West Saratoga street, and there was practically no interruption of business.

—The Comptroller of the Currency has appointed Downie D. Muir National bank examiner for Maryland, in place of Walter A. Mason, elected President of the Commercial and Farmers' National Bank.

Mr. Mason is thirty-two years old and is the youngest National bank President in Baltimore. His selection was influenced by his work in the rehabilitation of the bank.

Philadelphia—Henry C. Stroup, who had been connected with the Farmers and Mechanics' National Bank for fifty years, recently retired from the office of President, and was succeeded by Howard W. Lewis, who was formerly Vice-President and Cashier. Mr. Stroup entered the bank in March, 1854, beginning as a general assistant. He became President in 1892, having previously served as Cashier for many years.

—Large mercantile interests are reported to be organizing a new State bank with $200,000 capital and $50,000 paid-in surplus. Isaac Blum, president of the Blum Co., importers, is one of the prime movers in the enterprise.

Trust Company Reserves—A bill is pending in the New York Legislature, introduced by T. F. Mathews, providing that trust companies shall keep the same reserve as banks and individual bankers—fifteen per cent. in New York and ten per cent. elsewhere in the State.

SOUTHERN STATES.

New Orleans.—The Commercial National Bank is now doing business in the new Commercial Bank Building, corner of Carondelet and Common streets.

Birmingham, Ala.—The Citizens' Savings Bank and Trust Company opened for business here March 1 with $50,000 capital. It will do a Savings and trust business, not soliciting commercial accounts. The company will also act as broker and agent in placing high-class commercial paper, stocks, bonds and mortgage loans. Officers are: H. H. Mayberry, President; B. F. Roden, Vice-President; J. B. Cobbs, Treasurer; C. G. Davidson, Secretary.

West Virginia Bankers' Association.—The eleventh annual convention of the West Virginia Bankers' Association will be held at Huntington, West Va., June 8 and 9.

Galveston, Tex.—Messrs. A. A. Finck & Co. have issued a booklet entitled "Galveston in a Nutshell," which gives a concise yet complete description of the city's varied attractions and its commercial and industrial establishments. Among the many illustrations are several views of the seawall now being built to protect the city from the possibility of an inundation such as occurred in September, 1900. This wall is over three miles long, is sixteen feet wide at the base and five feet wide at the top.

Greenwood, Miss.—On May 9 the Bank of Greenwood will enter the National banking system as the First National Bank of Greenwood with $250,000 capital and $30,000 surplus. E. R. McShane will be President, A. W. McKimbrough, Vice-President, W. T. Loggins, Cashier and A. R. Bew, Assistant Cashier.

WESTERN STATES.

Cincinnati.—The Third National Bank has issued a handsome booklet showing both exterior and interior views of its new building, which was occupied for the first time on October 26, last, and is used exclusively by the bank. Both in point of construction and equipment, the new building is a model of taste, solidity and convenience.

—At a meeting of the board of directors of the National Lafayette Bank on March 10, Vice-President Stephen R. Burton was elected President to succeed the late W. A. Goodman. Mr. Burton has practically had the management of the bank for several years, and is a banker of recognized ability.

Akron, Ohio.—The Second National Bank and the Citizens' National Bank were consolidated on March 1, the succeeding bank being known as the Second National Bank, which is one of the oldest here. Its capital is $350,000. George T. Perkins, formerly President of the Second National Bank, retired and was succeeded by Henry Robinson, who was President of the Citizens' National Bank.

National Bank Resumes.—The Third National Bank, of Dundee, Ill., which was placed in charge of a Receiver on November 23, 1903, was authorized on February 29 to resume business.

Cleveland, Ohio.—The Cleveland Trust Co., which has been doing some clever advertising lately showing the possibilities of the "pennies that Jack saved," has issued an illustrated booklet showing the company's principal offices, also a number of branches. The company has a capital and surplus of nearly $3,000,000, assets amounting to $21,000,000, and over 36,000 depositors.

—It is announced that an agreement has been reached whereby the Citizens' Savings and Trust Co. will absorb the Prudential Trust Co., capitalized at $600,000 and having $1,800,000 deposits. The consolidation will give the Citizens' Savings and Trust Co. deposits amounting to $30,500,000, exclusive of $7,000,000 in the trust department.

PACIFIC SLOPE.

Los Angeles, Cal.—At the regular meeting of the board of directors of the Southwestern National Bank, held March 16, H. B. Kay and E. D. Elliott were appointed Assistant Cashiers. Mr. Kay has been connected with the bank ever since its organization, and Mr. Elliott had been receiving teller of the Citizens' National Bank, of Los Angeles, for the past three years. Both are young men and well known in local business circles.

Failures and Suspensions.

Maryland.—On March 21 Receivers were appointed for the Miners and Merchants' Savings Bank of Lonaconing, which had $300,000 on deposit. The failure was consequent on that of the City Trust and Banking Co., of Baltimore, which organized the Lonaconing institution.

Massachusetts.—The Union Trust Co., of Boston, was closed by the Savings Bank Commissioners March 31. It had $100,000 capital and about $1,338,000 deposits. There having been heavy withdrawals of late and inability to realize on securities fast enough to meet these, the suspension resulted. The company was organized in 1888.

Ohio.—The Federal Trust Co., of Cleveland, made an assignment March 31 to the Guardian Trust Co., which, it is said, will pay the depositors of the failed institution. The assets of the Federal Trust Co. are reported at approximately $3,000,000, and deposits about $1,000,000. An officer of the company was reported short in his accounts about $20,000, and this hastened the suspension.

LAWS RELATING TO COMMERCIAL PAPER.—David H. G. Penny, Assistant Cashier of the New York National Exchange Bank, has compiled the laws of the various States relating to interest rates, holidays and maturity of commercial paper. This information is printed on a card, and maps of the States are given, showing the maturity laws at a glance, and the other information is also condensed in a form easy for reference. It is a useful compilation for banks and dealers in commercial paper.

PANAMA GOLD STANDARD.—According to a decree of the convention published March 14, the monetary unit of the republic after December 31 next will be the gold dollar of the same dimensions and weight, by law, as the United States dollar. The silver currency now in circulation will be exchanged at the rate of $100 in gold for $225 in silver.

AN OPTIMISTIC VIEW.—The lesson which I have learned in life, which is impressed upon me daily, and more deeply as I grow old, is the lesson of good will and good hope. I believe that to-day is better than yesterday, and that to-morrow will be better than to-day. I believe that in spite of so many errors and wrongs, and even crimes, my countrymen of all classes desire what is good, and not what is evil. —"*Autobiography of Seventy Years*," *Geo. F. Hoar.*

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

Applications to Organize National Banks Approved.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice:

First National Bank, Amesville, Ohio; by S. L. Angle, et al.

First National Bank, Manchester, Conn.: by J. W. Hale, et al.

First National Bank, Iredell, Texas; by J. W. Rudasill, et al.

First National Bank, Somerset, Ohio; by John C. Saner, et al.

First National Bank, Mansfield, Texas; by W. G. Turner, et al.

First National Bank, Leetsdale, Pa.; by Isaac Jackson, et al.

Farmers and Merchants' National Bank, Grandview, Tex.; by O. L. Wilkirson, et al.

Fredonia National Bank, Fredonia, Kans.; by C. A. Long, et al.

First National Bank, Fairchild, Wis.; by Wm. F. Hood, et al.

Storm Lake National Bank, Storm Lake, Iowa; by A. H. Keller, et al.

Danvers National Bank, Danvers, Mass.; by Gilbert A. Tapley, et al.

First National Bank, Elgin, Minn.; by Theodore Wold, et al.

First National Bank, Dunn, N. C.; by Will H. McDonald, et al.

Imperial National Bank, Imperial, Cal.; by A. W. Wohlford, et al.

First National Bank, Englishtown, N. J.; by T. P. Burtt, et al.

First National Bank, Bellwood, Pa.; by C. A. Patterson, et al.

Swarthmore National Bank, Swarthmore, Pa.; by Arthur H. Tomlinson, et al.

American National Bank, Stigler, I. T.; by L. C. Parmenter, et al.

First National Bank, Thomas, Okla.; by J. S. Huston, et al.

Bell National Bank, Pineville, Ky.; by J. R. Rice, et al.

First National Bank, Ramona, I. T.; by A. D. Morton, et al.

Commercial National Bank, Pendleton, Oreg.; by W. L. Thompson, et al.

First National Bank, Browerville, Minn.; by Wm. E. Lee, et al.

First National Bank, Prosser, Wash.; by F. H. Gloyd, et al.

Le Sueur National Bank, Le Sueur, Minn.; by F. H. Wellcome, et al.

First National Bank, Shaw, Miss.; by Henry Dugan, et al.

First National Bank, Clifton, Texas; by G. J. Gibbs, et al.

First National Bank, Quincy, Fla.; by W. H. Ide, et al.

Morris County National Bank, Naples, Texas; by D. A. Cook, et al.

San Luis National Bank, Alamosa, Colo.; by M. B. Loy, et al.

First National Bank, Prestonburg, Ky.; by J. M. Weddington, et al.

First National Bank, Fingal, N. D.; by C. E. Batcheller, et al.

Merkel National Bank, Merkel, Texas; by J. H. Warnick, et al.

First National Bank, Alpine, Texas; by C. A. Brown, et al.

Fredonia National Bank, Fredonia, Pa.; by Lyle W. Orr, et al.

First National Bank, Berwyn, I. T.; by G. W. Young, et al.

Stockmen's National Bank, Cotulla, Texas; by L. A. Kerr, et al.

Application for Conversion to National Banks Approved.

Farmers & Merchants' Bank, Wenatchee, Wash.; into First National Bank.

Bank of Morgan County, Versailles, Mo.; into First National Bank.

Union Bank, Redlands, Cal.; into Redlands National Bank.

Farmers and Merchants' Bank, Jamesport, Mo.; into First National Bank.

People's Bank, Sebree, Ky.; into First National Bank.

Merchants' Bank, Fort Smith, Ark.; into Merchants' National Bank.

People's State Bank, Lyndon, Kans.; into First National Bank.

National Banks Organized.

7144—First National Bank, Lewisville, Tex. Capital, $25,000; Pres., B. L. Spencer; Vice-Pres., J. W. Spencer; Second Vice-Pres., W. D. Milliken; Cas., E. L. Berry; Asst. Cas., James Hayes, Jr.

7145—First National Bank, Aledo, Ill. Capital, $25,000; Pres., Thomas A. Vernon; Vice-Pres., S. F. Everett; Cas., J. L. Vernon.

7146—Farmers' National Bank, Manor, Tex. Capital, $25,000; Pres., J. L. Rich; Cas., J. W. Hoopes.

7147—First National Bank, Covington, Tex. Capital, $25,000; Pres., A. M. Douglass; Vice-Pres., R. J. Cowley; Cas., F. E. McLarty; Asst. Cas., D. D. Gathings.

7148—First National Bank, Linden, Ala. Capital, $25,000; Pres., J. H. Wood; Vice-Pres., C. H. Miller; Cas., W. F. Rhodes.

7149—Kyle National Bank, Kyle, Tex. Capital, $25,000; Pres., O. G. Parke; Cas., Otto Groos.

7150—Citizens' National Bank, Orange, Va. Capital, $25,000; Pres., R. O. Halsey; Vice-Pres., L. Willis, Jr.; Cas., R. C. Slaughter; Asst. Cas., C. J. Stonin.

7151—Farmers' National Bank, Strawn, Ill. Capital, $25,000; Pres., W. R. Hamilton, Jr., Vice-Pres., Edward Lynch; Cas., L. T. Tyron; Asst. Cas., W. L. Quinn.

7152—First National Bank, Cucamonga, Cal. Capital, $25,000; Pres., David S. Barmore; Cas., Geo. C. Bushnell.

7153—American National Bank, Tampa, Fla. Capital, $250,000; Pres., Melville W. Carruth; Vice-Pres., Chas. L. Knight; Cas., Lee L. Buchanan.

7154—Farmers' National Bank, Pleasant Hill, Mo. Capital, $25,000; Pres., H. A. Jones; Cas., R. L. Walker.

7155—First National Bank, Bicknell, Ind. Capital, $30,000; Pres., William D. Lemen; Vice-Pres., Joseph W. Schaffer; Cas., Chas. A. Bainum; Asst. Cas., Thomas E. Pearce.

7156—First National Bank, Millerstown, Pa. Capital, $25,000; Pres., C. A. Rippman.

7157—Hico National Bank, Hico, Tex. Capital, $50,000; Pres., Wm. Connally; Vice-Pres., J. H. Hill; Cas., John M. Cage; Asst. Cas., W. P. Barnes.

7158—First National Bank, Bayfield, Wis. Capital, $25,000; Pres., Theodore F. Weiland; Vice-Pres., Morgan B. Johnson; Cas., Alonzo H. Wilkinson.

7159—Altus National Bank, Leger, Okla. Capital, $30,000; Pres., Mike C. Lemaster; Vice-Pres., T. G. Braddock and Claud Miller; Cas., W. C. Baker; Asst. Cas., C. W. Hogsett.

7160—First National Bank, Mount Airy, Md. Capital, $25,000; Pres., Milton G. Urner.

7161—First National Bank, Clinton, Minn. Capital, $25,000; Pres., J. L. Erickson; Vice-Pres., John Brandt; Cas., J. H. Erickson; Asst. Cas., A. F. Warner.

7162—First National Bank, Westhope, N. D. Capital, $25,000; Pres., Geo. Sunberg; Vice-Pres., P. S. Hilleboe; Cas., W. J. Cooper.

7163—First National Bank, Mena, Ark. Capital, $50,000; Pres., C. A. Smith; Vice-Pres., D. H. Hopkins and J. P. Hayworth; Cas., L. C. Acruman.

7164—Citizens' National Bank, Paintsville, Ky. Capital, $25,000; Pres., H. S. Howes; Vice-Pres., Jesse Stafford; Cas., James F. Bailey.

7165—Western National Bank, Fort Worth, Tex. Capital, $300,000; Pres., W. H. Eddleman; Vice-Pres., Cicero Smith; Cas., E. M. Lanham; Asst. Cas., Claude McCauley and W. J. Eddleman.

7166—First National Bank, Wyndmere, N. D. Capital, $25,000; Pres., Geo. C. Ottis; Vice-Pres., Donald Wright; Cas., J. McGann.

7167—First National Bank, Klamath Falls, Oreg. Capital, $25,000; Pres., Geo. W. White; Vice-Pres., Geo. T. Baldwin; Cas., Geo. R. Lindley.

7168—First National Bank, Humboldt, Ill. Capital, $25,000; Pres., E. M. Mulliken; Vice-Pres., S. B. Moore; Cas., John W. Poorman.

7169—First National Bank, New Roads, La. Capital, $25,000; Pres., F. C. Claiborne; Vice-Pres., E. S. Woodfin; Cas., H. H. Howell; Vice-Pres. and Asst. Cas., J. O. Delage.

7170—Royall National Bank, Palestine, Tex. Capital, $100,000; Pres., N. R. Royall; Vice-Pres., J. W. Wright and Hampson Gary; Cas., Tucker Royall; Asst. Cas., C. W. Hanks.

7171—Cranford National Bank, Cranford, N. J. Capital, $50,000; Pres., Thomas A. Sperry; Vice-Pres., Wm. H. Bryan; Cas., G. M. Hendricks.

7172 First National Bank, Plains, Mont. Capital, $25,000; Pres., J. A. McGowan; Vice-Pres., A. J. Lansing; Cas., C. W. Powell.

7173—People's National Bank, Lexington, Va. Capital $50,000; Pres., J. W. McClung; Vice-Pres., G. W. Offlighter; Cas., Wm. M. McElwee.

7174—First National Bank, Williamsburg, Ky. Capital, $25,000; Pres., E. S. Moss; Vice-Pres., Wm. Golding; Asst. Cas., J. B. Fish.

7175—Columbia City National Bank, Columbia City, Ind. Capital, $50,000; Pres., F. H. Foust; Vice-Pres., S. J. Peabody; Cas., W. H. Magley; Vice-Pres., and Asst. Cas., Cleon H. Foust.

7176—First National Bank, Napa, Cal. Capital, $50,000; Pres., H. P. Goodman; Vice-Pres., J. A. McClelland; Cas., E. L. Bickford.

7177—First National Bank, Prague, Okla. Capital, $25,000; Pres., J. F. Ayars; Vice-Pres., H. Josey; Cas., Geo. R. Sutton.

7178—First National Bank, Clifton, Kan. Capital, $25,000; Pres., C. W. Snyder; Vice-Pres., M. F. Southwick; Cas., L. Pfister; Asst. Cas., Henry O'Brien.

7179—Bankers' World's Fair National Bank, St. Louis, Mo. Capital, $200,000; Pres., H. A. Forman.

7180—First National Bank, Portland, Ind. Capital, $50,000; Pres., John A. M. Adair;

Vice-Pres., Joseph A. Long; Cas., John W. Mills.

7181—First National Bank, Spangler, Penn. Capital, $50,000; Pres., J. L. Spangler; Cas., James A. McClain.

7182—First National Bank, Bisbee, Arizona. Capital, $50,000; Pres., S. F. Sullenberger; Vice-Pres., J. N. Porter.

7183—City National Bank, Eastland, Texas. Capital, $25,000; Pres., J. M. Wagstaff; Cas., W. C. Lasley.

7184—First National Bank, Elgin, Minn. Capital, $25,000; Pres., W. P. Tearse; Cas., John Walch.

7185—First National Bank, Francis, Ind. Ter. Capital, $25,000; Pres., T. A. Vaughn; Vice-Prest's., S. D. Dutcher and A. M. Cummings; Cas., H. A. Kroeger.

NEW BANKS, BANKERS, ETC.

ALABAMA.

GREENSBORO—People's Bank; capital, $50,000; Pres., A. Lawson; Vice-Pres., L. J. Lawson.

ARIZONA.

DOUGLAS—Arizona Trust and Banking Co.; capital, $30,000; Pres., Geo. Mitchell; Vice-Pres., E. A. Von Arnim; Sec., L. C. Hanks.

ARKANSAS.

EUDORA—Bank of Eudora; capital, $15,000; Pres., S. A. Scott; Vice-Pres., E. S. Hilliard; Cas., A. P. Fairhurst.

ROGERS—Citizens Bank; capital, $25,000; Pres., H. L. Stroud; Vice-Pres., Alonzo B. Stroud; Cas., W. H. Cowan.

TEXARKANA—State Savings and Trust Co.; capital, $100,000; Pres., E. W. Frost; Vice-Prest's., B. H. Kuhl and W. H. Arnold; Treas., E. K. Smith; Sec., R. L. Dalby.

CALIFORNIA.

SEBASTOPOL—Analy Savings Bank; capital, $25,000; Pres., Frank A. Brush; Vice-Pres., James McMenamin; Cas., A. B. Swain.

WEAVERVILLE—Savings Bank of Trinity County; Pres., C. H. Edwards; Vice-Pres., W. R. Edwards; Cas., H. Gray.

FLORIDA.

LAKE CITY—State Exchange Bank (successor to Adams Banking Co.); capital, $50,000; Pres., R. W. Adams; Vice-Pres., N. Adams; Cas., F. F. Bardin.

PENSACOLA—People's Bank; capital, $50,000; Pres., J. S. Reese; Vice-Pres., R. M. Cary; Cas., E. W. Menifee.

GEORGIA.

HOGANSVILLE—Hogansville Banking Co.; capital, $25,000; Pres., J. F. Askew; Vice-Pres., W. A. Trimble; Cas., J. F. Askew.

STATHAM—Bank of Statham; capital, $15,000; Pres., L. O. Benton; Vice-Pres., W. H. Toole; Cas., C. C. Kimzey.

WRIGHTSVILLE—Citizens' Bank; capital; $50,000; Pres., J. E. Linder; Asst. Cas., C. E. Blount.

IDAHO.

MOHLER—Mohler State Bank; capital, $15,000; Pres., G. W. Thompson; Vice-Pres., T. O. Hanlon; Cas., A. E. Hinckley.

ILLINOIS.

CARTERVILLE—Carterville State and Savings Bank; capital, $50,000; Pres., S. H. Bundy; Vice-Pres., J. B. Samuel; Cas., M. W. Sizemore.

IOWA.

ELWOOD—Elwood Savings Bank; capital, $10,000; Pres., G. E. Langham; Vice-Pres., Joseph Sadler; Cashier, A. L. Cook; Asst. Cas., W. S. Hill.

MOUNT AYR—Iowa State Bank; capital, $25,000; Pres., John W. Harvey; Vice-Pres., Thomas Teale; Cas., Bert Teale.

PIONEER—Farmers' Savings Bank (successor to Farmers' Bank; capital, $10,000; Pres., L. H. Van Alstine; Vice-Pres., M. M. Heptonstall; Cas., D. R. Miles.

WALCOTT—Farmers' Savings Bank; capital, $25,000; Pres., D. H. Snoke; Vice-Pres., Wm. Schwarting; Cas., C. F. Emler.

KANSAS.

CHAUTAUQUA—Citizens' State Bank; capital, $10,000; Pres., A. Spire; Vice-Pres., G. B. Gray; Cas., C. R. Walterhouse.

EDMOND—State Bank; capital, $10,000; Pres., S. Larrick; Vice-Pres., C. A. Larrick; Cas., J. E. Larrick.

HILLSBORO—Hillsboro State Bank; Pres., Eli Good; Vice-Pres., Josiah Good; Asst. Cas., J. G. Hill.

NORCATUR—First State Bank; Pres., D. O. Douglas; Vice-Pres., Otis L. Benton; Cas., H. H. Benton.

OTTAWA—State Bank; capital, $25,000; Pres., A. Dobson; Vice-Pres., F. C. Dobson; Cas., E. A. Hanes; Asst. Cas., H. H. Hays.

TURON—Farmers' State Bank; capital, $10,000; Pres., J. T. Wallace; Vice-Pres., W. M. Ritter; Cas., E. E. Shrive.

KENTUCKY.

CORINTH—Farmers' Bank; capital, $7,500; Pres., B. Gross; Vice-Pres., W. G. Dorman; Cas., F. B. Craig.

LOWES—Bank of Lowes; capital $7,500; Pres., J. E. Breckenridge; Vice-Pres., Jas. R. Lowe; Cas., R. L. Bishop.

LOUISIANA.

SALINE—Bank of Saline; capital, $10,000; Pres., J. G. Readheimer; Vice-Pres., J. M. McCoy; Cas., F. L. Mayfield.

MICHIGAN.

EAU CLAIRE—Exchange Bank; capital, $5,000; Pres., A. C. Rinkenberger; Vice-Pres., B. F. Rinkenberger; Cas., L. A. Rinkenberger.

GRAND LEDGE—Citizens' Savings Bank (successor to Citizens' Bank).

MINNESOTA.

KELLIHER — Bank of Kelliher; Pres., P. White; Vice-Pres., W. H. Roberts; Cas., H. T. Elmore.

MISSISSIPPI.

PITTSBORO—Bank of Pittsboro; capital, $30,000; Pres., H. T. Gaines; Vice-Pres., R. A. Creekmore; Cas., A. L. Jagoe.

SCROBA—Bank of Kemper; capital, $25,000; Pres., Joe Cramer; Cas., B. R. Kuykendall.

TUPELO—People's Bank & Trust Co.; capital, $60,000; Pres., J. J. Rogers; Vice-Pres., W. S. Johnson; Cas., S. J. High.

MISSOURI.

DUNLAP—Dunlap State Bank; capital, $5,000; Pres., C. D. Axtell; Vice-Pres., F. W. Lee; Cas., H. S. Cook.

OWENSVILLE—Citizens' Bank; capital, $5,500; Pres. J. W. Hensley; Vice-Pres., Alonzo Tubbs; Cas., F. H. Isenberg.

WINONA—Winona Savings Bank; capital, $6,000; Pres., John H. Hahn; Vice-Pres., J. T. Loyd; Cas., R. R. Rollins.

MONTANA.

WHITEFISH — Bank of Whitefish; capital, $10,000; Pres., B. F. Grinnell; Cas., F. C. Paine; Asst. Cas., H. C. Wegner.

NEBRASKA.

ROSELAND—Roseland State Bank; capital, $25,000; Pres., L. Hall; Cas., Ed. Hall.

NEW YORK.

PINE BUSH—A. C. Wilcox & Co.; Cas., J. E. Ward.

NORTH CAROLINA.

DUNN—Dunn Banking Co.: capital, $25,000: Pres., D. S. Boykin; Vice-Pres., J. J. Wade: Cas., R. L. Green; Asst. Cas., C. R. Young.

NORTH DAKOTA.

UNDERWOOD—Security State Bank; capital, $10,000; Pres., J. S. Johnson; Cas., Krist Kjelstrup.

OHIO.

AMANDA—Farmers and Merchants' Bank Co.; capital, $25,000; Pres., T. H. Griffith; Vice-Pres., S. H. Simon; Cas., C. H. Sunderman.

DEFIANCE— Defiance City Bank; capital, $100,000; Pres., C. C. Kerker; Vice-Pres., Geo. W. Watkins; Cas., C. J. Dauost; Asst. Cas., H. E. Rhoads.

PATASKALA—People's Bank Co.; capital, $10,000; Pres., Jos. Atkinson; Vice-Pres., J. L. Moore; Cas., H. H. Baird; Asst. Cas., Thos. Besse.

OKLAHOMA.

EL RENO—Canadian Valley Bank; capital, $50,000; Pres., H. H. Bradford; Vice-Pres., W. Hentey; Cas., L. A. Wilson; Asst. Cas., H. L. Chowning.

MOORE—Bank of Moore (successor to Farmers' Bank, Geary); capital, $5,000; Pres., John Threadgill; Vice-Pres., C. C. Nail; Cas., C. H. Brand.

PIEDMONT—Piedmont State Bank; capital, $10,000; Pres., Otto A. Shuttee; Vice-Pres., Chas. L. Engle; Cas., J. W. Timmerman.

OREGON.

PORTLAND—Oregon Savings Bank; capital, $100,000; Pres., L. O. Ralston; Vice-Pres., Alex. Sweek; Cas., W. Cooper Morris.

SOUTH DAKOTA.

ARLINGTON—State Bank; capital, $10,000; Pres., C. M. Story; Vice-Pres., E. M. Story; Cas., A. F. Blodget.

CANASTOTA—Farmers' State Bank (successor to Farmers' Bank); capital, $10,000; Pres., R. H. Armstrong; Vice-Pres., J. A. McKinnon; Cas., F. A. Dudley; Asst. Cas., Ben Peters.

DOLTON—Dolton State Bank; capital, $5,000; Pres., D. D. Wiff; Vice-Pres., Geo. Gross; Cas., Paul Gross.

TWIN BROOKS—State Bank (successor to Bank of Twin Brooks); capital, $5,000; Pres., F. Kruger; Vice-Pres., Frank Sugden; Cas., G. Lasell; Asst. Cas., E. M. Lasell.

WORTHING—People's Security Bank (successor to Farmers and Merchants' Bank); capital, $25,000; Pres., Henry Bradshaw; Vice-Pres., Wm. Bradshaw; Cas., R. W. Bradshaw; Asst. Cas., J. P. Serr.

TENNESSEE.

MEMPHIS — Mechanics' Savings Bank and Trust Co.: capital, $50,000; Pres. Wm. M. Kennedy; Vice-Pres., Thomas Dies; Cas., A. Y. Allen.

NASHVILLE—One Cent Savings Bank; capital, $25,000; Pres., R. H. Boyd; Vice-Pres., J. W. Bostick; Cas., J. C. Napier.——Security Savings Bank and Trust Co.; capital, $25,000; Pres., Wm. Herman; Vice-Pres., A. O'Brien; Cas., Henry M. Mills.

TEXAS.

ANNA—Continental Bank and Trust Co.

BURLESON—Continental Bank and Trust Co.

IREDELL—Continental Bank and Trust Co.

VIRGINIA.

ALEXANDRIA—Virginia Safe Deposit and Trust Co.; capital, $100,000; Pres. C. J. Rixey; Vice-Pres., J. P. Robinson; Treas., C. J. Rixey.

ETHELFELTS— Blair Banking Co.; capital, $15,000; Pres., John B. Waugh; Vice-Pres., S. M. Robinson; Cas., Chas. W. Caldwell.

WASHINGTON.

MONROE—Monroe State Bank; capital, $25,000; Pres., E. M. Stephens; Vice-Pres., A. J. Agnew; Cas., C. L. Lawry.

RITZVILLE—German-American State Bank; capital, $60,000; Pres., C. H. Cloding; Vice-Pres., J. A. Thiel; Cas., H. E. Christensen.

RIVERSIDE—Okanogan State Bank; capital, $20,000; Pres., C. E. Blackwell; Cas., Arthur Lund.

WISCONSIN.

HILBERT—State Bank; capital, $15,000; Pres., T. E. Connell; Vice-Pres., John J. Sherman; Cas., John J. Madler.

POTOSI—Potosi State Bank; capital, $10,000; Pres., Adam Schumacher; Vice-Pres., P. J. Seippel; Cas., C. J. Ragatz.

CANADA.

NOVA SCOTIA.

TRURO—Bank of Nova Scotia; Mgr., R. A. Mingle.

ONTARIO.

BOBCAYGEON—Bank of British North America; G. D. Watt, Mgr.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

BESSEMER—Bessemer National Bank; Eugene L. Huey, Cas. in place of S. D. Clarke, resigned.

ENTERPRISE—Enterprise Banking Co.; H. M. Sessions, Pres. in place of W. C. O'Neal, deceased.

GENEVA—First National Bank; no Asst. Cas. in place of E. O. Harper.

ARKANSAS.

DE QUEEN—Bank of De Queen; capital increased to $25,000.

CALIFORNIA.

ANAHEIM—First National Bank; F. Shanley, 2d Vice-Pres.; John Hartung, Cas. in place of C. E. Holcomb; O. Zens, Asst. Cas.

LOS ANGELES—Farmers and Merchants' National Bank; I. N. Van Nuys and T. E. Newlin, Vice-Pres.——Columbia Savings Bank; Niles Pease, Vice-Pres. in place of Robert Hale.

OROVILLE—First National Bank; W. W. Gingles, Cas. in place of C. H. Schiveley; C. W. Putnam, Asst. Cas.

PALO ALTO—First National Bank; H. P. Bennett, Asst. Cas.

SAN FRANCISCO—Donohoe-Kelly Banking Co.; Adam Grant, Pres., deceased.

SAN MATEO—San Meteo Bank; J. J. Fagan, Pres. and Cas. in place of J. D. Byrnes and Phil M. Roedel.

COLORADO.

GUNNISON—First National Bank; no Asst. Cas. in place of J. C. Parsons.

CONNECTICUT.

NEW HAVEN—Yale National Bank; John T. Manson, Pres. in place of Edwin S. Greeley; no Vice-Pres. in place of John T. Manson.

DELAWARE.

LEWES—Lewes National Bank; Jas. T. Lank, Cas. in place of Walter Sparklin.

WILMINGTON—Wilmington Savings Fund Society; Wm. M. Canby, Pres., deceased.

FLORIDA.

PENSACOLA—First National Bank; Thos. W. Brent and W. M. Roberts Asst. Cas. in place of T. Simpson Reese.——American National Bank; Chas. W. Lamar, Vice-Pres. and Mgr.

GEORGIA.

ATLANTA—Trust Company of Georgia; E. Woodruff, Pres. in place of Joel Hurt, resigned.

AUGUSTA—National Exchange Bank; capital increased to $400,000.

VALDOSTA—Citizens' Bank; Chas. W. Lamar, Cas., resigned.

ILLINOIS.

DUNDEE—First National Bank (in hands of Receiver Nov. 23); authorized by Comptroller to resume business Feb. 29.

MOLINE—People's Savings Bank; voted to change title to People's Savings Bank and Trust Co.; capital increased to $150,000.

PANA—Schuyler & Son; Geo. Schuyler, deceased.

QUINCY—Ricker National Bank; Henry Francis Joseph Ricker, Pres., deceased.

ROCK FALLS—First National Bank; C. L. Hubbard, Pres. in place of Truman Culver; Henry Hein, Vice-Pres. in place of C. L. Hubbard.

STONINGTON—First National Bank and Exchange Bank; consolidated under former title.

INDIANA.

MONROVIA—First National Bank; James B. Dedwick, Jr., Cas. in place of N. E. Hubbard, deceased; Everett Henley, Asst. Cas.

SEYMOUR—First National Bank; J. H. Andrews, Jr., Cas. in place of C. E. McCrady; no Asst. Cas. in place of J. H. Andrews, Jr.

TELL CITY—Tell City National Bank; John Herrmann, Pres. in place of Michael Bettinger, deceased.

INDIAN TERRITORY.

MADILL—Madill National Bank; no Vice-Pres. in place of J. E. Dillingham; John Derrick, Cas. in place of C. J. Webster.

IOWA.

CENTREVILLE—First National Bank; C. M. Bradley, Vice-Pres. in place of A. T. Bradley.

CHELSEA—First National Bank; Frank Nowak, Pres. in place of D. O. Wilcox.

DES MOINES—Grand Avenue Savings Bank; title changed to Iowa Trust and Savings Bank.

DUNKERTON—First National Bank; Morton T. Blake, Cas., deceased.

GREENFIELD—First National Bank; Jno. A. Storey, Vice.Pres. in place of Lewis Linebarger.

HARVEY—First National Bank; R. G. Harvey, Pres. in place of Herman Rietveld.

IOWA CITY—Citizens' Savings and Trust Co; Geo. W. Lewis, Pres. deceased.

MACKSBURG—Macksburg National Bank; W. W. Walker, Cas. in place of O. E. Klingaman.

MANILLA—Manilla National Bank; Carl F. Kuehule, Pres. in place of D. W. Shaw; Chas. Wenzel, Vice-Pres. in place of Carl F. Kuehule.

ORANGE CITY—First National Bank; Geo. J. Bolks, Vice-Pres. in place of A. Bolks; no Cas. in place of Ed De Mots.

OSAGE—Osage National Bank; Joseph M. Brush, Asst. Cas.

PRESCOTT—First National Bank: G. H. Currier, Pres. in place of J. C. Allen; J. C. Allen, Vice-Pres. in place of H. C. Reese.

TIPTON—City National Bank: Paul Heald, Cas.; no Asst. Cas. in place of Paul Heald.

KANSAS.

CANEY—Home National Bank: G. F. St. John, Cas. in place of J. M. Cunningham.

CHEROKEE—First National Bank; R. A. Bolick, Cas. in place of Geo. W. Pye.

NORTON—First National Bank; F. J. Clinkinbeard, Cas. in place of C. J. Shimeall.

KENTUCKY.

BOWLING GREEN—Citizens' National Bank; Thomas J. Smith, Pres., deceased.

BROWNSVILLE—Brownsville Deposit Bank; incorporated; capital, $15,000; M. M. Logan, Pres.; R. B. Hazelip, Cas.

HODGENVILLE—Farmers' National Bank; J. H. Stark, Asst. Cas.

LOUISA—Louisa National Bank; M. G. Watson, Pres. in place of B. F. Thomas; Augustus Snyder, Vice-Pres.; G. R. Burgess, Asst. Cas.

NEWPORT—German National Bank; L. K. Marty, Pres., deceased.

LOUISIANA.

LAKE CHARLES—Calcasieu National Bank; E. N. Hazzard, Asst. Cas. in place of J. W. Gardiner.

MONROE—Ouachita National Bank; D. A. Baird, Pres., deceased.

SHREVEPORT—First National Bank; Walter B. Jacobs, Pres., deceased.——Shreveport National Bank; Arthur T. Kahn, Pres., resigned.——Commercial National Bank; Arthur T. Kahn, Cas.

MAINE.

BELFAST—Belfast National Bank; John G. Brooks, Pres., deceased.

MARYLAND.

BALTIMORE—Federal Savings Bank; absorbed by Hopkins Savings Bank.——Drovers and Mechanics' National Bank; Paul A. Seeger, Vice Pres. in place of Leopold Strouse, deceased.

CHESTERTOWN—Second National Bank; Hope H. Barroll, Vice-Pres.

FREDERICK—Frederick County National Bank; A. C. McCardell, Pres. in place of Z. James Gittinger, deceased.

NORTH EAST—First National Bank; Robert C. Reeder, Asst. Cas.

MASSACHUSETTS.

BOSTON—Merchants' National Bank; L. W. Conant, Asst. Cas.——Old Boston National Bank; C. C. Patten, Asst. Cas. in place of T. F. Pratt.

CHICOPEE—First National Bank; Joseph A. Carter, Pres., deceased.

MINNESOTA.

EVELETH—First National Bank; R. M. Cornwell, Cas. in place of W. J. Smith; no Asst. Cas. in place of R. M. Cornwell.

FOSSTON—First National Bank; no 3d Vice-Pres. in place of M. T. Dalquist; no Asst. Cas. in place of R. J. Bentley.

MICHIGAN.

AKRON—Bank of Akron (Carson, Ealy & Hinkley); W. H. Carson, deceased.

CARO—Carson & Ealy; W. H. Carson, deceased.

CENTREVILLE—Wolf Bros. Bank; Josiah Wolf, Pres., deceased.

CLIFFORD—Carson, Ealy & Co.; W. H. Carson, deceased.

EAST TAWAS—Carson, Ealy & Co.; W. H. Carson, deceased.

MILLINGTON—Bank of Millington (Carson & Ealy); W. H. Carson, deceased.

WEST BRANCH—Ogemaw County Bank (Carson, Ealy & Co.); W. H. Carson, deceased.

MISSISSIPPI.

TUPELO—First National Bank; J. Q. Robbins, Vice-Pres. in place of J. J. Rogers.

MISSOURI.

WASHINGTON—First National Bank: no Asst. Cas. in place of A. P. Stuart.

NEBRASKA.

ALLIANCE—First National Bank; Charles E. Ford, Pres. in place of W. A. Hampton; R. M. Hampton, Vice-Pres.; S. K. Warrick, Cas. in place of R. M. Hampton.

NORFOLK—Norfolk National Bank; C. E. Burnham, Pres. in place of W. H. Bucholz.

NORTH PLATTE—First National Bank; Harry Scott White, Pres., deceased.

WAKEFIELD—First National Bank; H. S. Collins, Pres. in place of W. P. Manley; S. A. Merrill, Vice-Pres. in place of H. S. Collins.

NEW HAMPSHIRE.

GORHAM—Gorham National Bank; Harry G. Noyes, Pres. in place of Alfred W. Fuller; E. L. Chenette, Cas. in place of George M. Marshall.

MANCHESTER—Hillsboro County Savings Bank; Bushrod W. Hill, Pres., deceased.

PORTSMOUTH—Rockingham National Bank; Thomas Neil, Asst. Cas.

NEW JERSEY.

CAMDEN—Security Trust Co.; Joshua E. Borton, Pres.

CLINTON—Clinton National Bank; E. Humphrey, Pres. in place of Joseph Van Syckel, deceased; J. W. Welsh, Vice-Pres.

DOVER—National Union Bank; C. R. Mulligan, Pres. in place of Hudson Hoagland; Frederick H. Beach, Vice-Pres.

LONG BRANCH—Long Branch Banking Co.; Henry W. Johnson, Cas., deceased.

NEWARK—North Ward National Bank; W. H. Pierson, Asst. Cas.

PRINCETON—Princeton Savings Bank: H. D. Eldridge, Treas. in place of James E. Burke, deceased.——First National Bank: Wm. Libbey, Vice-Pres. in place of Charles B. Moore, deceased.

NEW MEXICO.

ROSWELL—Roswell National Bank; R. L. Bradley, Vice-Pres. in place of A. L. Norfleet; no 2d Vice-Pres. in place of H. F. Smith; C. C. Emerson, Asst. Cas.

TUCUMCARI—First National Bank; W. S. Hodges, Asst. Cas. in place of A. R. Carter.

NEW YORK.

MIDDLETOWN—First National Bank; Harrison H. Crane, Vice-Pres., deceased.

NEW YORK—Guaranty Trust Co.: Oscar L. Gubelman, Third Vice-Pres. in place of H. A. Murray.——Mutual Bank: John C. Van Cleaf, Vice-Pres. in place of A. H. Wiggin.——Federal Bank; Wm. M. Woods, Pres. in place of David Rothschild; Robert A. Doolite, Cas. in place of C. B. Outcalt.——Maiden Lane National Bank; Wm. M. Perkins, Vice-Pres.——Central National Bank and National Citizens' Bank; consolidated under title of Citizens' Central National Bank.

NORTH TONAWANDA—State National Bank; Geo. S. Dailey, Pres. in place of Timothy E. Ellsworth.

ROCHESTER—Commercial Bank; Henry D. Stone, Vice-Pres., deceased.——Rochester Savings Bank; James Brackett, Pres., deceased.

SALAMANCA—First National Bank; E. F. Hoy, Pres. in place of Henry O. Wait, deceased; H. O. Ostrander, Vice-Pres. in place of W. H. Crandall; Geo. O. Rhodes, Cas.

SILVER SPRINGS—Silver Springs National Bank; Mrs. Joseph M. Duncan, Pres. in place of Joseph M. Duncan, deceased.

WATERTOWN—National Union Bank; no Cashier in place of A. L. Upham, deceased.

OHIO.

AKRON—Second National Bank and Citizens' National Bank; consolidated under former title; Henry Robinson, Pres. in place of Geo. T. Perkins; C. I. Brunner, Second Vice-Pres.

ARCANUM—First National Bank; C. C. Taylor, Cas.

CINCINNATI—National Lafayette Bank; Stephen R. Burton, Pres. in place of W. A. Goodman.

CLEVELAND—Colonial National Bank and Union National Bank; consolidated under latter title; E. H. Bourne, Pres. in place of M. A. Hanna, deceased; E. R. Fancher, Cas. in place of E. H. Bourne; E. H. Cady, Asst. Cas. in place of E. R. Fancher.

FINDLAY—Commercial Bank & Savings Co.; capital increased from $80,000 to $100,000.

FOSTORIA—Mechanics' Banking Co.; O. T. Brown, Pres., deceased.

LEIPSIC—First National Bank; H. J. Stechschutte, Asst. Cas.

NORTH BALTIMORE—First National Bank; Andrew Emerine, Jr., Cas. in place of Levi Wooster.

NORWALK—Citizens' Banking Co.; Frank Jones, Pres., deceased.——Huron County Banking Co.; W. C. Pratt, Asst. Cas.

ORANGEVILLE—Orangeville Savings Bank Co.; E. U. Hide, Cas. in place of W. D. Gray.

ZANESVILLE—First National Bank; J. B. Larzelere, Asst. Cas. in place of C. P. Worrell.

OKLAHOMA.

AGRA—Citizens' State Bank and First State Bank; consolidated under latter title; capital, $10,000.

PAWNEE—Arkansas Valley National Bank; Robert Chasteen, Vice-Pres. in place of J. W. Nield; R. E. Trammell, 2d Vice-Pres.; J. W. Teter, Cas. in place of Robt. Chasteen.

RALSTON—First National Bank; Ed. T. Kennedy, Asst. Cas. in place of J. E. Berry.

WEATHERFORD—National Exchange Bank; no Cas. in place of O. H. Cafky.

OREGON.

ALBANY—First National Bank; E. W. Langdon, Pres. in place of L. Flinn; Alfred C. Schmidt, Cas. in place of E. W. Langdon.

PENNSYLVANIA.

AMBLER—First National Bank: John S. Buchanan, Cas. in place of J. J. Houghton.

BUTLER—Butler County National Bank; Leslie P. Hazlett, Pres. in place of Joseph Hartman, deceased.

DANVILLE—First National Bank; Bonham R. Gearheart, Pres., deceased; Cornelius G. Van Alen, Vice-Pres.

ELIZABETHTOWN—Elizabethtown National Bank; J. Dyer, Pres. in place of A. Dissinger, deceased; W. J. Smith, Vice-Pres. in place of J. Dyer.

FINLEYVILLE—First National Bank; S. F. Boyer, Cas. in place of J. D. Easter, Jr.; N. H. Boyd, Asst. Cas.

NEW BRIGHTON—Union National Bank; Geo. L. Hamilton, Cas. in place of E. H. Seiple; A. L. Bingham, Asst. Cas. in place of Geo. L. Hamilton.

PHILADELPHIA—Farmers and Mechanics' National Bank; H. W. Lewis, Pres. in place of Henry C. Stroup; Henry B. Bartow, Cas. in place of H. W. Lewis.——Philadelphia National Bank; H. J. Keser, Cas. in place of L. L. Rue; H. Fortescue, Asst. Cas. in place of H. J. Keser.——First National Bank; Morton McMichael, Pres., deceased.

SHEFFIELD—Sheffield National Bank; F. W. Simmons, Vice-Pres. in place of Charles Sigel, deceased.

SOUTH DAKOTA.

MITCHELL—Mitchell National Bank; Wm. M. Smith, Cas. in place of N. L. Davison, deceased; L. M. Russ, Asst. Cas. in place of Wm. M. Smith.

TENNESSEE.

MEMPHIS — Mercantile Bank; C. Hunter Raine, Pres. in place of John Armistead, deceased; J. F. Holst, 1st Vice-Pres. in place of C. H. Raine; W. A. Smith, Cas. in place of C. H. Raine.

TEXAS.

CLEBURNE — Farmers and Merchants' National Bank; E. Y. Brown, Pres. in place of S. B. Allen.

GRAND SALINE — National Bank of Grand Saline; T. B. Meeks, Pres. in place of J. E. Persons; U. S. Meeks, Cas. in place of T. B. Meeks; no Asst. Cas. in place of U. S. Meeks.

MADISONVILLE—First National Bank; Dave H. Shapira, Pres. in place of H. F. Moore; N. Y. Randolph, Vice-Pres. in place of J. Shapira; J. H. Robinson, Jr., Asst. Cas.

THROCKMORTON—First National Bank T. S. Richards, Pres. in place of W. T. Andrews: W. A. Donnell, Vice-Pres. in place of T. S. Richards.

TULIA—Tulia National Bank; no Asst. Cas. in place of W. W. Gunn.

VIRGINIA.

FAIRFAX—National Bank of Fairfax; S. R. Donohoe, Cas. in place of Frank R. Ford, deceased.

NORFOLK—Citizens' Bank; Walter H. Doyle, Pres., deceased.

WASHINGTON.

ABERDEEN — Aberdeen State Bank; E. J. Bradley, Pres. in place of John G. Lewis, deceased.

PORT ANGELES—Cain National Bank; title changed to Citizens' National Bank; J. P. Christensen, Cas. in place of J. A. Cameron.

WISCONSIN.

SEYMOUR—First National Bank; F. R. Dittmer, Pres. in place of J. H. Tayler; Peter Tubbs, Vice-Pres.

SPARTA—Bank of Sparta; Ira A. Hill, Pres., deceased.

SUPERIOR — Bank of Commerce; Allen P. Lovejoy, Vice-Pres., deceased.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

CALIFORNIA.

RIVERSIDE — Orange Growers' National Bank; in hands of Receiver March 23.

CONNECTICUT.

PAWCATUCK — People's Savings Bank; suspended payments.

ILLINOIS.

MINONK—People's Bank.

INDIAN TERRITORY.

HOLDENVILLE — National Bank of Holdenville; in hands of Receiver March 23.

TULSA—Tulsa National Bank; in voluntary liquidation February 26.

IOWA.

COIN—Bank of Coin.

GARDEN GROVE—Farmers' Bank.

KENTUCKY.

BURKESVILLE—Burkesville Banking Co.

MARYLAND.

LONACONING—Miners and Merchants' Savings Bank.

PENNSYLVANIA.

BUTLER—Standard Trust Co.

PHILADELPHIA—Union Surety and Guaranty Co.

TEXAS.

VELASCO—Velasco National Bank; in voluntary liquidation March 3.

VIRGINIA.

GORDONVILLE—Lockwood & Co.

ORANGE—American Bank.

NEW CORPORATIONS FORMED IN GERMANY IN 1903.—During the past year the number of new corporations formed in Germany has again decreased, showing a steady decrease since the year 1899, when 364 corporations were formed. In 1900, there were 261; in 1901, 158; in 1902, 87; and in 1903, but 84.—*Walter Schumann, Consul, Mainz, Germany.*

A FORGETFUL PAIR.—Bookkeeper—I had to confess to the boss to-day that I had forgotten to post my books.

Clerk—Phew! I'll bet he jumped all over you.

Bookkeeper—No; as soon as I told him he said: "Gee whizz! That reminds me. I forgot to post the letters my wife gave me yesterday." So he forgot all about me.—*Philadelphia Press.*

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, April 2, 1904.

THE DECISION IN THE NORTHERN SECURITIES CASE by the United States Supreme Court. rendered on March 14, was the event around which revolved the most important influences affecting financial affairs last month. The Northern Securities Company was formed as a "holding company" in November, 1901, for the purpose of taking control of the stock of the Northern Pacific and the Great Northern Railroad companies, which had jointly purchased the Chicago, Burlington and Quincy Railroad. The avowed object of the organizers of the Northern Securities Company was to prevent ruinous competition between the two rival trans-continental lines and to prevent control of the properties falling into the hands of inimical interests.

The Government took the ground that the organization of a company for such a purpose was in violation of the Sherman Anti-Trust Act, which declares that any combination in restraint of trade or commerce among the several States or with foreign countries is illegal. The decision of the United States Supreme Court sustains this contention. The decision, however, is a divided one, five of the judges, Harlan, Brewer, Brown, McKenna and Day, deciding in favor of the Government, and four: Chief Justice Fuller and Judges White, Peckham and Holmes, dissenting.

While the decision calls for the dissolution of the Northern Securities Company, and steps have already been taken to comply with the requirement, a reading of the various opinions of the justices leads to the conclusion that the Court will place no limitation upon the right of individuals to purchase stock of competing railroads. The popular view as to the scope of the decision may be inferred from the substantial advance in the prices of railroad securities since the decision was rendered. Prior to the announcement of the decision the stock market had fallen into the very depths of stagnation. On March 10 only 74,000 shares of stock were traded in, the smallest day's sales recorded in a number of years. On March 22 and 23 the daily sales exceeded 1,000,000 shares. Prices also advanced late in the month although not reaching the point touched earlier in the year.

Another event which was accepted as portending the removal of an unfavorable influence in the stock market, was the collapse in the cotton "corner." With it came the failure of Daniel J. Sully & Co. on March 18, that firm having been for a long time the leading promoters of the speculative advance in the price of cotton. The influence of such a speculation as has been witnessed in that staple is usually of an unfavorable character, and its elimination in this instance it is believed will tend to the development of greater confidence in financial circles. That there was a legitimate basis for at least a portion of the advance in cotton in the past year was made evident by the final report of the Census Bureau issued last month, which makes the total yield 10,014,454 bales, a considerable decline from previous years. But even this is much larger than the estimates made by those who were manipulating the price of cotton.

The report of the Bureau of Statistics for February shows that the export movement of cotton has fallen off. Only 209,434,145 pounds were exported in February as compared with 336,796,190 pounds in January and 627,363,986 pounds in November last. The larger price obtained for cotton, however, has made the decrease in

value much less than that in quantity. The average export price in February was 14.6 cents per pound, comparing with 13.8 cents in January, 12.4 cents in December, 10.8 cents in November, 10.1 cents in October and 9.3 cents in February, 1903. But the total value of cotton exports in February last was nearly $16,000,000 less than in January and $42,000,000 less than in December last.

The decline in the movement of cotton, which of course is to be expected at this season of the year, although last year the volume of exports continued large until April 1, is largely responsible for the heavy falling off shown in the total export trade. The exports of merchandise in February were valued at $118,877,762 as compared with $174,819,566 in December, a decrease of nearly $56,000,000. Of this loss cotton contributed about $42,000,000, breadstuffs, $5,000,000, and provisions, $2,000,000.

While exports have fallen off, imports of merchandise show an increase, the total for February being $88,788,721. This is the largest total ever recorded for that month, and has never been exceeded in any month excepting April, 1897, when the imports owing to pending tariff legislation reached $101,000,000, December, 1902, when they were $94,000,000, and March, 1903, when they were $96,000,000. Although the imports are large there is still a large excess of exports, $30,000,000, which is quite close to the average monthly excess for the eight months of the current fiscal year.

As regards the future of our export trade it may be assumed that cotton and grain will not for some time to come play a very important part. The cotton season is about at an end, while from the Government crop report recently issued it is evident that the supply of wheat is not large. The estimated amount of wheat in farmers' hands on March 1 is 132,600,000 bushels, a decrease of 31,447,000 bushels compared with a year ago, and the smallest since 1898 excepting 1901. Only 20.8 per cent. of last years' crop is in farmers' hands compared with 24.5 per cent. of the crop of 1902 held on March 1, 1903.

The corn in farmers' hands is estimated at 839,000,000 bushels or 37.4 per cent. of last year's crop. A year ago there were 1,050,652,000 bushels or 41.6 per cent. of the previous year's crop. Of oats there are 273,700,000 bushels or 34.9 per cent. held as compared with 365,000,000 bushels or 36.9 per cent. in 1903.

The exports of wheat and corn have been very small recently and considering the present amount still held by farmers are not likely to increase. In the following table the supply of wheat and corn on March 1 and the exports for the eight months ended March 1 yearly since 1897 are shown:

Year.	Wheat.		Corn.	
	In farmers' hands March 1.	*Exports. 8 months ended March 1.*	*In farmers' hands March 1.*	*Exports. 8 months ended March 1.*
	Bushels.	Bushels.	Bushels.	Bushels.
1897	88,149,000	64,809,079	1,164,000,000	110,446,988
1898	121,320,000	101,425,562	783,000,000	120,557,363
1899	198,056,000	108,807,800	800,500,000	111,683,166
1900	158,700,000	69,796,950	778,730,000	145,040,484
1901	128,100,000	77,471,577	776,200,000	131,660,602
1902	173,703,000	117,511,121	443,457,000	22,918,875
1903	164,047,000	88,664,735	1,050,652,000	36,745,324
1904	132,600,000	40,673,275	839,000,000	41,501,587

The publication last month of the annual report of the United States Steel Corporation for the calendar year 1903 gave conclusive evidence of the necessity which caused that corporation to pass its dividend on the common stock last year. The net earnings were $83,675,787 against $108,534,374 in 1902, a decrease of $29,511,034 or

more than 35 per cent. After deducting interest and sinking-fund appropriations the balance of profits was $60,795,490 against $90,306,524 in 1902, a decrease of $29,-511,034 or nearly 50 per cent. The corporation last year charged off for depreciation in inventory valuations and for the adjustment of sundry accounts $5,378,838 which left as surplus applicable to dividends $55,416,652. After paying 7 per cent. on the preferred stock and 2½ per cent. on the common stock the surplus for the year was $12,304,916 as compared with $34,253,657 in the previous year, a decrease of $21,948,741.

While a surplus of $12,304,916 is thus shown for the year, the surplus at the close of the year is more than $11,000,000 less than was reported a year ago. The decrease is accounted for as follows:

Surplus December 31, 1902		$77,874,597
Surplus earned in 1903		12,304,916
Total		$90,179,513
Less-adjustments in sundry accounts	$48,703	
Expense, conversion preferred stock and sale of bonds...	6,800,000	
Charged-off for construction and payment of capital liabilities	17,234,128	24,082,831
Surplus December 31, 1903		$66,096,682

The surplus is now $66,096,682 as against $77,874,597 a year ago. The statement reflects the unfortunate change which occurred in the iron and steel industry last year but from which it is now rapidly recovering. The decrease in the profits of the United States Steel Corporation, as shown by the quarterly statements, was of a striking character particularly in the last three months of 1903. The profits for each quarter since the corporation began operations were:

QUARTER ENDING	*1901.*	*1902.*	*1903.*
March 31	....	$16,700,221	$14,891,989
June 30	$19,907,277	26,742,278	23,987,950
September 30	20,063,626	25,849,818	19,684,774
December 31	20,629,206	21,014,208	2,230,776

A drop from nearly $24,000,000 profits in the second quarter of 1903 to only about $2,000,000 in the last quarter would seem to be an exceptional experience rarely to be encountered. From what is known of the general improvement which has since occurred in the iron trade, more favorable results may be expected in future statements of the corporation.

As to the iron trade there has been a very great change in conditions, and that for the better. In February the United States Steel Corporation's plants produced 756,230 tons as compared with 502,994 tons in January and 406,730 tons in December. The maximum product was 1,037,325 tons in May, 1903. The weekly production of pig iron is again increasing rapidly. On March 1 it was 318,223 tons as against 194,558 tons two months ago. On June 1, when the output was largest, the weekly production was 398,189 tons. There has also been an advance in prices for iron products which seems to be significant of a material improvement.

General conditions in the business world are taking on a better tone, and while conservatism still rules investors are undoubtedly regaining confidence. Stock Exchange transactions in March were considerably larger than in February, although not equal to those of March last year. The sales of stocks aggregated about 11,500,-000 shares, an increase compared with February of 3,000,000 shares. Transactions in bonds amounted to nearly $47,000,000, an increase of $11,000,000.

One fact of some significance is an increase in the authorized capitalization of new companies in the Eastern States. It is estimated that this new capital was $83,000,000 in March, an increase of nearly $30,000,000 over the amount reported in

February. Part of the new capital represents new consolidations and the issue of new securities by existing corporations, but the increase is taken to bear out the reports of an improving condition in some of the leading industries.

It is not probable that there will for some time to come be any of the extravagant rushing into new ventures which made the years 1901 and 1902 memorable. Most of the madness that then prevailed has abated or burnt itself out.

The railroads are still showing in their reports of earnings the effect of the severe weather which has prevailed almost continuously for the last three months. The gross earnings in February, however, were generally more favorable than those in January. The earnings of 67 roads with a mileage of 82,882 miles in February were $142,000 less than a year ago, while those in January, on a mileage not much less, decreased $1,800,000.

The net earnings make a less favorable showing than the gross earnings, as has been the case for some time past. The Financial Chronicle's compilation for January makes the gross earnings of 103 roads in January show a decrease of $4,847,915, or 4.54 per cent., compared with January, 1903, while the net earnings decreased $8,095,639, or 25.19 per cent. So far as the returns for March have been received, the gross earnings approximate closely those of a year ago.

From the same authority we obtain the following comparative statement of earnings of railroads which have made reports for the calendar year 1903:

	1903.	*1902.*	*Increase*	
			Amount.	*Per cent.*
Miles	162,497	159,174	3,323	2.09
Gross earnings	$1,733,784,055	$1,547,759,417	$186,024,638	12.02
Operating expenses	1,181,523,458	1,044,202,373	137,321,085	13.15
Net earnings	$552,260,597	$503,557,044	$48,703,553	9.67

While the gross earnings increased $186,000,000 or 12.02 per cent., the net earnings increased less than $49,000,000 or 9.67 per cent. Nor is the actual showing as favorable as the above figures indicate. The earnings of the anthracite coal roads are included, and as they were seriously affected by the strike in 1902, they were able to report large gains in 1903: $35,674,581 gross, and $24,579,611 net. Deducting the gains of the anthracite coal roads the increase in gross earnings of the other roads would be $150,000,000, and in net earnings only $24,000,000. The increased cost of labor and materials which affected railroad earnings in 1902 also lessened the profits of the railroads in 1903.

Perhaps the conservatism now existing regarding the investment of capital in new ventures is not better indicated than in the falling off in construction operations of the railroads. The estimated new mileage now under construction by the railroads in the United States is 6,900 miles, as compared with 8,500 miles a year ago. Not all the mileage projected is likely to be built during the present year, and it is possible that the year's total will be less than in either of the last three years if not less than in any year since 1898.

The money situation is one of exceptional ease. Call money in New York has been below two per cent. during most of the month, and even as low as one and one-half per cent. Gold exports have appeared imminent, sterling exchange getting close to the gold-exporting point. Still no gold was shipped during the month except $4,250,000 to the Argentine Republic. Early in the month the Secretary of the Treasury gave notice to the depositary banks to surrender twenty per cent. of their public deposits, the money to be transferred to certain specified banks in New York. The transfer was ordered to be made by March 25, and the order has been generally complied with. The purpose of the transfer was to prepare for the payment on account of the Panama Canal, but that has been further delayed by a suit begun in the Supreme Court to restrain the payment.

During the past month the New York Clearing-House banks have made new records in the matter of loans, deposits and reserves. The loans for the first time went above $1,000,000,000 on March 26 and a week later reached $1,022.707,100. Deposits now amount to $1,069,369,400 the largest ever reported, while the cash reserves are $295,097,400 also a record amount. Loans have increased $32,000,000 in the past month, deposits $42,000,000 and reserves $6,000,000.

The Money Market.—There was an easy money market throughout the month rates for both call and time money ruling low. At the close of the month call money ruled at 1½ @ 1¾ per cent., the average rate being about 1⅝ per cent. Banks and trust companies loaned at 1¾ per cent. as the minimum rate. Time money on Stock Exchange collateral is quoted at 2½ @ 3 per cent. for 60 days, 3 per cent. for 90 days, 3¼ per cent. for 4 to 5 months, 3¾ @ 4 per cent. for 6 to 7 months and 4½ per cent. for 8 to 10 months on good mixed collateral. For commercial paper the rates are 4¼ @ 4½ per cent. for 60 to 90 days' endorsed bills receivable, 4½ @ 5 per cent. for first-class 4 to 6 months' single names, and 5 @ 5½ per cent. for good paper having the same length of time to run.

Money Rates in New York City.

	Nov. 1.	Dec. 1.	Jan. 1.	Feb. 1.	Mar. 1.	Apr. 1.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Call loans, bankers' balances	4 –5	6 –9	6 –9	1¾–2	1¾–2	1½– 1¾
Call loans, banks and trust companies	2½–	6 –	6 –	2 –	1¾–	1¾–
Brokers' loans on collateral, 30 to 60 days	5 –	6 –	5¼– ½	3½– ¾	3 –	2½– 3
Brokers' loans on collateral, 90 days to 4 months	5 –	5½–6	4½–5	4 –	3¼– ¾	3 – 3¼
Brokers' loans on collateral, 5 to 7 months	5 –	5½–	5 –	4 – ¼	4 – ¼	3¾– 4
Commercial paper, endorsed bills receivable, 60 to 90 days	5½–6	6 –	5½– ¾	4½–5	4¾–5	4¼– ½
Commercial paper prime single names, 4 to 6 months	5½–6	6 –6½	5¾–6	4¾–5¼	4¾–5¼	4½– 5
Commercial paper, good single names, 4 to 6 months	6 –6½	6½–7	6 –6½	5½–6	5½–6	5 – ½

New York City Banks.—The past month witnessed some important changes in the condition of the local banks, the deposits increasing more than $41,000,000, making the total $1,069,000,000, the highest ever recorded. The previous high record was made February 20 last and that is now exceeded by $41,000,000. Loans increased during the month $32,500,000 and are now larger than ever before reached, exceeding $1,022,700,000. The banks gained in specie $6,000,000 while legal tenders are about the same as a month ago. The surplus reserve is $27,755,050, a decrease for the month of about $4,400,000. Compared with a year ago loans have increased $118,000,000, deposits $180,000,000, specie $65,000,000, legal tenders $5,500,000 and surplus reserve $25,600,000.

New York City Banks—Condition at Close of each Week.

	Loans.	Specie.	Legal tenders.	Deposits.	Surplus Reserve.	Circulation.	Clearings.
Mar. 5...	$999,918.400	$219,192,400	$70,899,400	$1,040,593,800	$29,943,350	$39,169,500	$1,075,780,500
" 12...	997,899,000	219,135,100	70,119,200	1,037,268,900	29,937,075	37,962,600	964,162,700
" 19...	998,918,800	217,239,600	69,324,400	1,037,013,700	27,310,575	36,918,800	1,111,170,000
" 26...	1,007,863,700	217,727,100	71,908,900	1,048,668,500	27,468,875	36,936,000	1,141,098,300
Apr. 2...	1,022,707,100	223,390,100	71,707,300	1,069,369,400	27,755,050	36,880,000	1,064,278,700

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

Month.	1902.		1903.		1904.	
	Deposits.	Surplus Reserve.	Deposits.	Surplus Reserve.	Deposits.	Surplus Reserve.
January	$910,860,800	$7,515,575	$873,115,000	$10,193,850	$866,178,900	$9,541,850
February	975,997,000	26,623,350	931,778,900	27,880,775	1,023,943,800	25,129,050
March	1,017,488,300	9,975,925	956,206,400	5,951,900	1,027,920,400	32,150,200
April	965,353,300	6,965,575	894,260,000	6,280,900	1,069,369,400	27,755,050
May	968,189,600	7,484,000	905,760,200	11,181,850	....	....
June	948,326,400	11,929,000	913,081,800	9,645,150	....	....
July	955,829,400	12,978,350	903,719,800	12,923,850	....	....
August	957,145,500	13,738,125	908,864,500	24,060,075	....	....
September	935,998,500	9,742,775	920,123,900	20,677,925	....	....
October	876,519,100	3,236,625	897,214,400	13,937,500	....	....
November	893,791,200	21,339,100	885,616,600	10,274,150	....	....
December	883,836,800	15,786,300	841,552,000	6,125,200	....	....

Deposits reached the highest amount, $1,069,369,400, on Apr. 2, 1904; loans, $1,022,707,100 on April 2, 1904, and the surplus reserve $111,623,000 on Feb. 3, 1894.

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

DATES.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
Feb. 27	$78,987,200	$90,726,700	$3,552,300	$4,848,600	$11,721,000	$4,847,400	$2,287,625
Mar. 5	79,395,600	91,221,000	3,463,300	4,596,200	12,073,700	4,910,200	2,240,150
" 12	80,243,400	92,434,000	3,526,100	4,881,200	12,264,000	4,874,100	2,436,900
" 19	80,954,900	91,662,200	3,498,100	4,850,300	10,994,700	4,986,200	1,413,750
" 26	81,417,300	92,616,600	3,511,400	4,769,700	11,505,800	5,283,300	1,916,050

BOSTON BANKS.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Feb. 27	$175,629,000	$190,435,000	$13,924,000	$5,271,000	$7,000,000	$101,952,600
Mar. 5	173,053,000	190,286,000	13,657,000	5,006,000	7,100,000	118,120,500
" 12	173,197,000	190,426,000	15,345,000	4,876,000	7,125,000	111,579,200
" 19	173,829,000	196,703,000	16,846,000	4,922,000	7,134,000	116,762,900
" 27	173,982,000	197,061,000	17,180,000	5,016,000	7,132,000	115,852,900

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Feb. 27	$186,072,000	$218,897,000	$60,082,000	$10,552,000	$92,273,152
Mar. 5	186,387,000	220,801,000	63,345,000	10,565,000	104,702,500
" 12	188,620,000	222,902,000	62,540,000	10,517,000	90,889,900
" 19	189,314,000	224,833,000	61,517,000	10,607,000	102,852,600
" 27	189,933,000	222,566,000	60,636,000	10,650,000	103,311,000

MONEY RATES ABROAD.—No change was made in the posted rates of discounts of any of the European banks last month. Open market rates are lower in London and higher in Paris and Berlin than they were a month ago. Discounts of 60 to 90 day bills in London at the close of the month were 2¾ @ 2⅞ per cent. against 3¼ per cent. a month ago. The open market rate at Paris was 2¾ per cent. against 2½ per cent. a month ago, and at Berlin and Frankfort 3⅜ @ 3½ per cent. against 3¼ per cent. a month ago.

Bank of England Statement and London Markets.

	Dec. 12, 1903.	Jan. 13, 1904.	Feb. 10, 1904.	Mar. 16, 1904.
Circulation (exc. b'k post bills)	£29,243,670	£28,414,055	£27,749,055	£27,561,390
Public deposits	7,966,866	6,185,742	9,081,614	13,720,681
Other deposits	38,984,069	42,941,986	41,635,576	38,641,241
Government securities	18,187,060	20,947,874	19,229,834	19,224,834
Other securities	27,046,714	24,957,866	24,826,750	24,292,522
Reserve of notes and coin	19,034,663	21,424,363	24,900,000	26,561,883
Coin and bullion	31,105,338	31,388,418	34,199,147	35,673,273
Reserve to liabilities	41⅝%	43½%	49%	50 1/16%
Bank rate of discount	4%	4%	4%	4%
Price of Consols (2¾ per cents.)	97 7/16	87 9/16	86 5/16	86¾
Price of silver per ounce	29 11/16d.	27⅛d.	27¼d.	26¼d.

Foreign Exchange.—The sterling exchange market was strong during the entire month and rates were at a point where gold exports seemed imminent although no gold was exported to Europe. Late in the month drafts against foreign purchases of American securities came upon the market but were promptly absorbed without causing a decline in foreign exchange.

Rates for Sterling at Close of Each Week.

Week ended.	Bankers' Sterling. 60 days.	Bankers' Sterling. Sight.	Cable transfers.	Prime commercial, Long.	Documentary Sterling, 60 days.
Mar. 5	4.8380 @ 4.8390	4.8660 @ 4.8670	4.8700 @ 4.8710	4.83½ @ 4.83⅝	4.82¾ @ 4.83½
" 12	4.8400 @ 4.8410	4.8670 @ 4.8680	4.8700 @ 4.8710	4.83¾ @ 4.83⅞	4.83 @ 4.83¾
" 19	4.8440 @ 4.8450	4.8705 @ 4.8715	4.8740 @ 4.8750	4.84⅛ @ 4.84¼	4.83¼ @ 4.84⅛
" 26	4.8440 @ 4.8450	4.8710 @ 4.8715	4.8745 @ 4.8755	4.84⅛ @ 4.84¼	4.83¼ @ 4.84⅛
Apr. 2	4.8475 @ 4.8485	4.8735 @ 4.8740	4.8770 @ 4.8780	4.84⅛ @ 4.84⅝	4.83⅝ @ 4.83¾

Foreign Exchange—Actual Rates on or about the First of each Month.

	Dec. 1.	Jan. 1.	Feb. 1.	Mch. 1.	Apr. 1.
Sterling Bankers—60 days	4.79¾—80	4.81 — ⅛	4.83 — ⅛	4.83¾— 84	4.83¾— ⅞
" " Sight	4.83½—	4.84 — ⅛	4.85½— ⅝	4.86⅝— ¾	4.87¼— ⅜
" " Cables	4.84 —	4.84½— ⅝	4.85¾— 6	4.87⅛— ⅜	4.87¾— ⅞
" Commercial long	4.79 — ⅛	4.80½— ⅝	4.82½— ⅝	4.83 — ⅛	4.84½— ⅝
" Docu'tary for paym't.	4.79 —80¼	4.80 —80¾	4.82 — ⅝	4.83 — ⅝	4.83⅝— ¾
Paris—Cable transfers	5.20⅝— 1/16	5.18¾—	5.17½— ..	5.16¼—	5.15 1/16—15
" Bankers' 60 days	5.23⅛—	5.22½—21⅞	5.20 1/16— 20	5.18¾—	5.18⅛—17½
" Bankers' sight	5.21¼—20⅝	5.19⅜—	5.18⅛—17½	5.16⅞—	5.15⅝—
Swiss—Bankers' sight	5.21¼—	5.20 3/32— 1/32	5.20 —19⅝	5.19⅜—18¾	5.18⅛—17½
Berlin—Bankers' 60 days	93 15/16—94	94¼— ⅝	94 7/16— 9/16	94 9/16— 11/16	94 15/16—
" Bankers' sight	94½— 9/16	94 11/16—	94 13/16— ⅞	95 1/16—	95 5/16—
Belgium—Bankers' sight	5.21⅞— ¼	5.20 3/32— 1/32	5.18¾— ..	5.17½—	5.16⅞—
Amsterdam—Bankers' sight	40 1/16— ⅛	40⅛—	40¼— ..	40¼— 5/16	40 5/16—
Kronors—Bankers' sight	26.59 —26.62	26.65—26.67	26.68—26.70	26.72—26.74	26.81—26.83
Italian lire—sight	5.20⅝—19⅜	5.18¾— ⅛	5.17½—16⅞	5.21¼—20	5.16⅞—15⅝

Silver.—The silver market in London was weak particularly in the latter half of the month. The price declined from 26⅞d. to 25½d., closing at the lowest price for the month.

Monthly Range of Silver in London—1902, 1903, 1904.

Month.	1902. High	1902. Low.	1903. High	1903. Low.	1904. High	1904. Low.	Month.	1902. High	1902. Low.	1903. High	1903. Low.	1904. High	1904. Low.
January	26 1/16	25⅜	22⅜	21 11/16	27 5/16	25½	July	24 9/16	24 3/16	25⅜	24¼	....	....
February	25⅜	25 5/16	22 5/16	21⅞	27⅛	25⅝	August	24 7/16	24⅛	26¾	25 5/16	....	....
March	25 7/16	24 13/16	22 15/16	22⅛	26 11/16	25½	Septemb'r	24⅛	23 9/16	26 7/16	26 3/16	....	....
April	24⅞	23 5/16	25 1/16	22⅝	....	....	October	23 11/16	23¼	28½	27 7/16	....	....
May	24⅛	23 9/16	25¼	24 5/16	....	....	Novemb'r	23¼	21¾	27⅝	26¼	....	....
June	24 7/16	23 15/16	24 9/16	24⅛	....	....	Decemb'r	22½	21 13/16	26⅛	25	....	....

Foreign and Domestic Coin and Bullion—Quotations in New York.

	Bid.	Asked.		Bid.	Asked.
Sovereigns & Bk. of Eng. notes	$4.86	$4.88	Mexican 20 pesos	$19.52	$19.60
Twenty francs	3.85	3.88	Ten guilders	3.95	4.00
Twenty marks	4.74	4.77	Mexican dollars	.44	.47⅛
Twenty-five pesetas	4.78	4.81	Peruvian soles	.40	.44
Spanish doubloons	15.55	15.65	Chilian pesos	.40	.44
Mexican doubloons	15.55	15.65			

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 25⅛d. per ounce. New York market for large commercial silver bars, 55⅝ @ 56⅝c. Fine silver (Government assay), 55⅛ @ 57⅛c. The official price was 55¼c.

Gold and Silver Coinage.—The mint coined $63,605,790 gold in March, the largest coinage of this metal in any month in years. Only about $43,000,000 was coined in the entire year 1903. There was $1,491,508.75 silver coined of which $1,200,275 was silver dollars. The minor coinage was $164,870, making a total of $65,262,168.75 for the month.

Coinage of the United States.

	1902.		1903.		1904.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
January	$7,660,000	$2,908,637	$7,635,178	$1,707,000	$2,765,000	$4,657,000
February	6,643,850	2,489,000	7,488,510	1,521,000	35,603,500	1,475,000
March	1,558	2,965,577	6,879,920	1,595,987	63,605,790	1,491,509
April	3,480,315	3,388,273	137,400	1,809,000	....	....
May	426,000	1,873,000	69,000	1,584,000	....	....
June	500,845	2,464,353	610	3,840,222	....	....
July	2,120,000	2,254,000	....	337,327	....	....
August	8,040,000	2,236,000	450,000	452,000	....	....
September	3,560,860	2,831,165	645,692	1,807,469	....	....
October	1,890,000	2,287,000	1,540,000	2,324,000	....	....
November	2,675,000	2,399,000	8,794,600	1,401,000	....	....
December	6,277,925	1,932,216	10,043,060	1,567,435	....	....
Year	$47,109,852	$29,928,167	$43,683,970	$19,874,440	$101,974,290	$7,623,509

European Banks.—The Bank of England last month lost $7,000,000 gold and Russia $9,000,000. The Bank of France gained about $4,000,000.

Gold and Silver in the European Banks.

	February 1, 1904.		March 1, 1904.		April 1, 1904.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
England	£34,186,126	....	£35,484,022	....	£34,058,852	....
France	93,805,540	£44,162,889	93,777,253	£44,810,614	94,508,540	£44,579,948
Germany	34,153,000	12,000,000	36,289,000	12,750,000	36,164,000	12,706,000
Russia	86,050,000	7,313,000	91,352,000	7,939,000	89,577,000	8,419,000
Austria-Hungary	46,632,000	12,452,000	47,015,000	12,585,000	47,371,000	12,905,000
Spain	14,570,000	19,147,000	14,604,000	19,320,000	14,636,000	19,708,000
Italy	21,896,000	3,310,000	21,996,000	3,753,200	22,060,000	3,808,200
Netherlands	5,017,900	6,542,500	5,432,900	6,626,300	5,442,500	6,706,900
Nat. Belgium	3,208,667	1,604,333	3,187,333	1,593,667	3,114,000	1,557,000
Totals	£339,519,233	£106,531,742	£349,187,508	£108,876,781	£346,926,892	£110,385,048

National Bank Circulation.—The circulation of the National banks continues to increase, the gain in March being $4,585,632, making the total nearly $435,000,000 or an increase in twelve months of more than $52,000,000. Of the total circulation $395,600,000 is based upon $398,000,000 Government bonds, nearly $392,000,000 of which are the two per cent. issue.

NATIONAL BANK CIRCULATION.

	Dec. 31, 1903.	*Jan. 31, 1904.*	*Feb. 29, 1904.*	*Mar. 31, 1904.*
Total amount outstanding	$425,163,018	$426,857,627	$430,324,310	$434,909,942
Circulation based on U. S. bonds	387,273,623	387,657,731	390,352,491	395,600,234
Circulation secured by lawful money	37,889,395	39,199,896	39,971,819	39,309,708
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	2,425,200	2,432,950	2,389,200	2,704,250
Five per cents. of 1894	356,150	44,750	....	....
Four per cents. of 1895	1,245,100	1,247,600	1,260,100	1,540,100
Three per cents. of 1898	1,717,580	1,708,100	1,744,500	1,799,400
Two per cents. of 1900	383,591,650	384,798,300	387,277,750	391,990,900
Total	$389,335,680	$390,231,600	$392,671,550	$398,034,650

The National banks have also on deposit the following bonds to secure public deposits; 4 per cents. of 1907, $6,604,050; 5 per cents. of 1894, $100,000; 4 per cents. of 1895, $11,025,050; 3 per cents. of 1898, $7,095,040; 2 per cents. of 1930, $100,945,500; District of Columbia 3.65's, 1924, $2,009,000; State and city bonds, $22,639,128; Philippine Island certificates, $4,948,000; Hawaiian Islands bonds, $1,081,000, Railroad bonds, $17,549,000, Philippine loan, $1,657,000, a total of $175,652,768.

UNITED STATES PUBLIC DEBT.—The interest-bearing debt of the Government is now in such a position that no important change in it is to be expected. None of it matures earlier than 1907, while the great bulk of it has more than twenty years to run. As the surplus revenues are now very small, the purchase of bonds by the Government is not likely to occur except under very strenuous circumstances. The bonded debt is now $895,000,000, while the net debt, less cash in the Treasury, is $915,000,000. While therefore the Government reports an aggregate debt of $2,245,000,000, the cash reserves are sufficient to provide for all of it except the bonded debt and about $20,000,000 beside.

UNITED STATES PUBLIC DEBT.

	Jan. 1, 1904.	*Feb. 1, 1904.*	*Mch. 1, 1904.*	*Apr. 1, 1904.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent	$542,664,850	$542,909,950	$542,909,950	$542,909,950
Funded loan of 1907, 4 "	156,818,600	156,591,500	156,591,500	156,591,650
Refunding certificates, 4 per cent	30,010	29,990	29,990	29,880
Loan of 1904, 5 per cent	6,590,500	5,314,250	....	....
" 1925, 4 "	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent	77,153,360	77,135,360	77,135,360	77,135,360
Total interest-bearing debt	$901,747,220	$900,470,950	$895,156,700	$895,156,740
Debt on which interest has ceased	1,196,530	1,196,530	3,161,680	2,670,510
Debt bearing no interest:				
Legal tender and old demand notes	346,734,863	346,734,863	346,734,863	346,734,863
National bank note redemption acct.	36,976,574	38,534,696	39,179,309	38,689,396
Fractional currency	6,870,587	6,870,587	6,870,587	6,870,587
Total non-interest bearing debt	$390,582,025	$392,140,147	$392,784,759	$392,294,846
Total interest and non-interest debt	1,293,525,775	1,293,807,627	1,291,103,139	1,290,122,096
Certificates and notes offset by cash in the Treasury:				
Gold certificates	447,175,869	487,949,869	477,903,869	467,660,869
Silver "	472,247,000	464,261,000	469,942,000	473,085,000
Treasury notes of 1890	15,906,000	15,322,000	14,846,000	14,372,000
Total certificates and notes	$935,328,869	$967,532,869	$962,691,869	$955,117,869
Aggregate debt	2,228,854,644	2,261,340,496	2,253,795,008	2,245,239,965
Cash in the Treasury:				
Total cash assets	1,405,621,982	1,413,110,668	1,407,296,573	1,399,011,475
Demand liabilities	1,026,247,087	1,034,365,584	1,034,228,068	1,024,311,479
Balance	$379,374,895	$378,745,084	$373,068,505	$374,699,996
Gold reserve	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance	229,374,895	228,745,084	223,068,505	224,699,996
Total	$379,374,895	$378,745,084	$373,068,505	$374,699,996
Total debt, less cash in the Treasury	914,150,880	915,062,543	918,034,634	915,422,100

GOVERNMENT REVENUES AND DISBURSEMENTS.—The receipts of the Treasury in March exceeded the expenditures by $3,000,000, which was a surprising showing considering that in March last year the surplus was less than $500,000. The receipts were $674,000 less than a year ago but the expenditures were $3,283,000 less. For the nine months of the current fiscal year there is a surplus of $7,939,000 which compares with a surplus of $33,829,000 last year.

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS.

Source.	*March, 1904.*	*Since July 1, 1903.*
Customs	$23,711,070	$199,495,446
Internal revenue	18,360,972	175,621,208
Miscellaneous	2,689,457	34,966,094
Total	$44,761,499	$410,082,748
Excess of receipts	3,057,101	7,939,414

EXPENDITURES.

Source.	*March, 1904.*	*Since July 1, 1903.*
Civil and mis	$11,168,163	$104,371,628
War	8,955,306	88,060,168
Navy	8,878,100	75,000,188
Indians	656,267	8,119,943
Pensions	11,824,884	108,460,608
Interest	221,679	18,130,799
Total	$41,704,398	$402,143,334

UNITED STATES FOREIGN TRADE.—February exports of merchandise while $28,000,000 less than the exports in the previous month, and $6,500,000 less than in February, 1903, were larger than in the corresponding month of either 1901 or 1902. The total value was nearly $119,000,000, while the imports which are now very large were nearly $89,000,000. This leaves a balance for the month of $30,000,000, and for the eight months of the current fiscal year of nearly $394,000,000. The latter balance is the largest recorded since 1901. More than $4,000,000 of gold, net, was imported and this makes the net imports of gold so far this fiscal year $50,000,000, which is very much in excess of any previous year since 1899, when the balance for the eight months was nearly $65,000,000.

EXPORTS AND IMPORTS OF THE UNITED STATES.

MONTH OF FEBRUARY.	MERCHANDISE.			*Gold Balance.*	*Silver Balance.*
	Exports.	*Imports.*	*Balance.*		
1899	$93,837,151	$60,258,452	Exp., $33,578,699	Imp., $4,580,944	Exp., $2,892,047
1900	119,426,985	68,833,941	" 50,593,044	" 507,458	" 2,111,811
1901	112,957,014	64,501,699	" 48,455,815	" 1,442,462	" 2,389,760
1902	101,569,695	68,350,459	" 33,219,236	Exp., 6,968,513	" 1,920,942
1903	125,586,024	82,622,246	" 42,963,778	Imp., 311,086	" 2,179,507
1904	118,877,762	88,788,721	" 30,089,041	" 4,297,758	" 1,691,194
EIGHT MONTHS.					
1899	843,433,266	427,201,833	Exp., 416,231,433	Imp., 64,816,031	Exp., 18,104,767
1900	919,473,471	555,253,574	" 364,219,897	" 6,930,090	" 14,471,012
1901	1,015,194,984	523,539,840	" 491,655,144	" 23,916,195	" 18,590,604
1902	974,238,113	594,467,457	" 379,770,656	" 8,004,796	" 15,530,111
1903	982,068,063	680,771,760	" 301,296,303	" 17,487,605	" 16,825,555
1904	1,048,024,106	654,127,705	" 393,896,401	" 50,212,748	" 12,981,938

SUPPLY OF MONEY IN THE UNITED STATES.—The total stock of money increased in March $15,600,000 of which more than $11,000,000 was gold and $4,500,000 Na-

SUPPLY OF MONEY IN THE UNITED STATES.

	Jan. 1, 1904.	*Feb. 1, 1904.*	*Mch. 1, 1904.*	*Apr. 1, 1904.*
Gold coin and bullion	$1,314,622,524	$1,326,841,555	$1,337,357,717	$1,348,808,970
Silver dollars	559,167,979	563,619,979	564,901,979	566,102,254
Silver bullion	11,579,510	7,151,148	7,142,510	5,829,230
Subsidiary silver	105,938,279	105,903,449	106,903,896	106,633,724
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	425,163,018	426,867,627	430,324,810	434,909,942
Total	$2,763,152,326	$2,777,054,774	$2,793,311,428	$2,808,960,136

tional bank notes. The increase since January 1 is nearly $46,000,000 of which $34,000,000 is gold.

MONEY IN THE UNITED STATES TREASURY.—While the total money in the United States Treasury decreased nearly $7,000,000 last month, a reduction in the certificates outstanding made the net cash show an increase of $2,500,000. The Treasury increased its net holdings of gold $12,000,000.

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1904.	*Feb. 1, 1904.*	*Mch. 1, 1904.*	*Apr. 1, 1904.*
Gold coin and bullion	$686,651,991	$698,935,700	$638,448,007	$697,879,260
Silver dollars	477,594,756	485,656,379	488,501,788	491,393,073
Silver bullion	11,579,510	7,151,148	7,142,510	5,829,230
Subsidiary silver	8,306,927	10,433,124	11,417,518	11,545,932
United States notes	3,408,578	8,988,196	9,368,475	5,273,146
National bank notes	12,009,829	18,654,036	14,040,247	10,116,596
Total	$1,199,551,591	$1,229,818,583	$1,228,918,545	$1,222,037,237
Certificates and Treasury notes, 1890, outstanding	902,745,162	940,743,110	939,089,014	929,716,324
Net cash in Treasury	$296,806,429	$289,075,473	$289,829,531	$292,320,913

MONEY IN CIRCULATION IN THE UNITED STATES.—More than $12,000,000 was added to the volume of money in circulation last month making an increase since January 1 of $50,000,000. About $12,000,000 of gold coin was substituted for gold certificates in circulation, other forms of money contributing the increase in total circulation.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1904.	*Feb. 1, 1904.*	*Mch. 1, 1904.*	*Apr. 1, 1904.*
Gold coin	$627,970,533	$627,905,855	$638,909,710	$650,924,710
Silver dollars	81,573,223	77,963,600	76,409,191	74,709,181
Subsidiary silver	97,631,352	95,470,325	95,486,378	95,087,792
Gold certificates	421,080,019	469,573,609	462,206,979	449,349,569
Silver certificates	465,836,290	455,935,828	462,101,102	466,052,079
Treasury notes, Act July 14, 1890	15,828,853	15,233,673	14,780,933	14,814,676
United States notes	343,272,438	337,692,820	337,312,541	341,407,870
National bank notes	413,153,189	408,203,591	416,284,063	424,793,346
Total	$2,466,345,897	$2,487,979,301	$2,503,481,897	$2,516,639,223
Population of United States	81,177,000	81,292,000	81,407,000	81,522,000
Circulation per capita	$30.38	$30.61	$30.75	$30.87

NOTICES OF NEW BOOKS.

THE TRUTH ABOUT THE TRUSTS—A Description and Analysis of the American Trust Movement. By JOHN MOODY. New York: Moody Publishing Co.

The really surprising thing about the trusts is their excessive modesty in regard to capitalization. "There are 440 large industrial, franchise and transportation trusts of an important and active character, with a total floating capital of $20,379,162,511."

Mr. Moody has produced a work of value to all who wish to learn the facts about the great combinations. Little attention is paid to theories and opinions, but a full detailed history and statement of the capitalization and composition of the principal combinations are given. The statistical information is especially complete, showing not only the capitalization, but in many cases the market values at different dates.

As a compilation of facts it will doubtless be consulted by all who wish to be thoroughly informed regarding the great industrial and other corporations.

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of March, and the highest and lowest during the year 1904, by dates, and also, for comparison, the range of prices in 1903:

	Year 1903.		Highest and Lowest in 1904.		March, 1904.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	89⅞	54	73⅛—Mar. 30	64 —Feb. 24	73⅛	64	72⅛
• preferred	103⅛	84⅜	92¾—Jan. 22	87⅝—Jan. 6	92	88⅛	91¾
Baltimore & Ohio	104	71⅝	85⅞—Jan. 27	72⅞—Mar. 14	81¼	72⅞	80
Baltimore & Ohio, pref.	96¾	82¾	92 —Jan. 28	87⅝—Feb. 19	89½	88	89
Brooklyn Rapid Transit	71⅛	29½	52¼—Jan. 2	38 —Feb. 24	44¾	38⅛	43⅞
Canadian Pacific	138¾	115⅝	121¼—Jan. 22	109½—Mar. 12	116	109½	115⅝
Canada Southern	78½	57½	68¼—Jan. 2	64½—Mar. 23	65¾	64½	65¾
Central of New Jersey	190	153	163¾—Jan. 19	154½—Feb. 20	159	157	158½
Ches. & Ohio	53⅝	27¼	36 —Jan. 28	28¼—Mar. 14	33⅞	28¼	33⅝
Chicago & Alton	37¼	18⅛	40 —Feb. 6	33 —Jan. 2	40	35¾	38⅞
• preferred	75½	60	85¼—Jan. 21	75 —Jan. 6	83	80	81
Chicago, Great Western	29⅝	13	17¾—Jan. 22	14 —Feb. 24	15⅞	14	15⅛
Chic., Milwaukee & St. Paul	183¼	133¼	148¼—Jan. 22	137⅛—Feb. 24	147¾	137⅞	145⅛
• preferred	194¼	168	179½—Jan. 22	173 —Mar. 4	178½	173	175
Chicago & Northwestern	224½	153	172¼—Mar. 30	161⅛—Mar. 14	172¼	161⅛	170½
• preferred	250	190	214½—Jan. 23	207 —Feb. 8	213	208	213
Chicago Terminal Transfer	19⅞	8	12¾—Jan. 15	8¼—Feb. 24	10⅛	8¾	9¾
• preferred	36	15	26½—Jan. 15	18 —Jan. 2	21⅜	19	19¾
Clev., Cin., Chic. & St. Louis	99⅝	66	80¾—Jan. 22	74 —Mar. 1	76½	74	76¼
Col. Fuel & Iron Co.	82½	24	34½—Jan. 27	25½—Mar. 12	31	25½	28½
Colorado Southern	31⅜	10	19 —Jan. 12	14½—Feb. 23	18⅞	15⅝	16¼
• 1st preferred	72	44½	58½—Jan. 25	52 —Feb. 23	55¼	52¾	52¾
• 2d preferred	48	17	28⅝—Jan. 22	22 —Feb. 23	26⅜	22⅜	23¼
Consolidated Gas Co.	222	164	201 —Mar. 23	185 —Feb. 8	101	188	197½
Delaware & Hud. Canal Co.	183½	149	168½—Jan. 22	149 —Mar. 12	156¾	149	153⅞
Delaware, Lack. & Western	275½	230	275 —Jan. 14	250½—Feb. 23	268	251	265¼
Denver & Rio Grande	43	18	23⅜—Jan. 22	18 —Mar. 14	21¾	18	21¾
• preferred	90½	62	74⅞—Jan. 22	64½—Feb. 24	70	65½	70
Detroit Southern	20⅝	7	14¾—Jan. 23	8½—Feb. 29	11¾	10	11¼
• preferred	39¾	14	29½—Jan. 25	17 —Mar. 2	22	17	21¾
Duluth So. S. & Atl., pref.	29⅝	10	16¾—Jan. 23	11½—Feb. 29	13	11½	13
Erie	42⅝	23	29¼—Jan. 2	22 —Feb. 26	27⅞	22⅜	26¼
• 1st pref.	74	62⅛	69¾—Jan. 27	61½—Feb. 29	65¼	61½	63⅝
• 2d pref.	64⅞	44	50½—Jan. 2	37¼—Feb. 29	43⅜	37½	40⅝
Evansville & Terre Haute	72½	39½	66½—Jan. 27	62 —Jan. 11	....	....	....
Express Adams	235	214	225 —Jan. 6	223 —Jan. 11	225	225	225
• American	235	171	197 —Jan. 27	185 —Mar. 7	192	185	188
• United States	150¼	95	110 —Jan. 25	100 —Feb. 24	103	101	103
• Wells, Fargo	249½	191	212 —Jan. 6	205 —Jan. 30	205	205	205
Hocking Valley	106½	63	77⅛—Jan. 22	70 —Feb. 11	74⅞	74	74⅞
• preferred	99¼	77	85 —Jan. 7	77 —Mar. 12	81⅞	77	81
Illinois Central	151	125⅛	134¾—Jan. 28	125¾—Feb. 24	131	126¼	130¼
Iowa Central	48	16	22⅞—Jan. 8	17 —Feb. 18	20	18	19
• preferred	77⅜	30½	42 —Jan. 14	32 —Feb. 25	37½	33	33¾
Kansas City Southern	36¼	16½	21 —Jan. 21	16½—Feb. 24	21	16¾	16¾
• preferred	61¼	29	38¾—Jan. 19	31 —Feb. 29	37	31	36⅛
Kans. City Ft. S. & Mem. pref.	82¾	62¼	69 —Jan. 21	65 —Feb. 8	67¼	66	66½
Louisville & Nashville	130½	95	111½—Jan. 22	101 —Feb. 23	108¾	101¾	108⅝
Manhattan consol	155½	126¼	146⅛—Jan. 22	139¾—Mar. 12	144½	139¾	142½
Metropolitan securities	128⅞	70½	92 —Jan. 21	72¼—Mar. 14	85	72¼	79¼
Metropolitan Street	142⅞	99⅞	124 —Jan. 2	104¾—Mar. 14	115¾	104¾	112⅜
Mexican Central	29	8½	14½—Jan. 11	9⅛—Feb. 25	12⅝	9⅝	9⅞
Minneapolis & St. Louis	110	41	67¾—Jan. 18	61 —Feb. 18	....	....	....
• preferred	118	83	94¾—Jan. 21	90 —Jan. 6	....	....	....
Minn., S. P. & S.S. Marie	79½	42	67 —Jan. 20	55 —Jan. 4	63⅞	59	61¾
• preferred	132¼	109½	126¾—Jan. 28	117 —Feb. 25	124	117	119½
Missouri, Kan. & Tex.	30½	15½	19 —Jan. 21	14⅝—Feb. 24	18⅜	15¼	17½
• preferred	63½	33	42½—Jan. 22	35 —Feb. 23	39⅝	36¼	39
Missouri Pacific	115⅞	85¾	95⅞—Jan. 22	87 —Feb. 24	94¼	87	93⅜
Natl. of Mexico, pref.	47⅝	34½	41 —Jan. 11	34¾—Feb. 25	38½	36	37½
• 2d preferred	28½	17	21⅞—Jan. 8	15⅞—Feb. 25	19½	17	17½
N. Y. Cent. & Hudson River	156	112⅝	122 —Jan. 8	112⅞—Mar. 12	118⅞	112⅞	116¾
N. Y., Chicago & St. Louis	45	19½	32¼—Jan. 23	25½—Mar. 7	29¼	25½	28½
• 2d preferred	87	50	69 —Jan. 26	63 —Jan. 19	63	63	63

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1903.		Highest and Lowest in 1904.		March, 1904.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
N. Y., Ontario & Western	35¼	19	24¼—Jan. 25	19⅜—Mar. 14	22⅛	19⅜	21⅝
Norfolk & Western	76¼	50¾	62¾—Jan. 28	53½—Mar. 12	59	53½	58½
" preferred	93½	85	89 —Jan. 5	88⅜—Feb. 25	89	89	89
North American Co.	124½	68	90 —Jan. 26	80 —Mar. 12	87	80	85
Pacific Mail	42¾	17	33½—Jan. 18	24 —Feb. 27	30	25	27
Pennsylvania R. R.	157⅝	110¾	123½—Jan. 27	111½—Mar. 12	120	111½	118¼
People's Gas & Coke of Chic.	108⅝	87¾	102⅝—Jan. 28	92¾—Mar. 12	100⅝	92¾	99¾
Pullman Palace Car Co.	235¾	196	219½—Jan. 22	209 —Mar. 14	210½	209	210
Reading	69¼	37½	48 —Jan. 25	38¾—Mar. 14	45⅝	38¾	45
" 1st prefered	89⅞	78	81 —Jan. 25	76 —Mar. 1	79½	76	79½
" 2d preferred	81	55¾	62 —Jan. 25	55¼—Feb. 25	60½	56	60½
Rock Island	53⅝	19½	27⅛—Jan. 22	19⅛—Mar. 11	24	19⅛	22¾
" preferred	86	55¾	68⅞—Jan. 22	57¾—Jan. 6	64	59¼	62½
St. L. & San Fran. 2d pref.	78	39	49¼—Jan. 23	39¼—Jan. 6	46	41	46
St. Louis & Southwestern	30	12	16¼—Jan. 22	12⅞—Mar. 9	14½	12⅞	13½
" preferred	66	24	36¾ Jan. 23	29½—Feb. 24	34½	30¼	34½
Southern Pacific Co.	68¼	38⅝	52½—Jan. 27	41½—Mar. 14	51⅛	41½	49⅝
Southern Railway	36⅞	16½	23½—Jan. 27	18¼—Feb. 24	22½	18⅝	22¼
" preferred	96	69½	86¼—Jan. 22	77½—Jan. 6	86	79⅝	83¾
Tennessee Coal & Iron Co.	68¾	25⅞	41 —Jan. 27	34¼—Feb. 24	39¾	35	39
Texas & Pacific	43⅜	20½	27¾—Jan. 23	21½—Feb. 23	24⅜	22⅛	24⅛
Toledo, St. Louis & Western	31⅞	15	29½—Jan. 23	22 —Feb. 20	27	24	25½
" preferred	48	24	39¾—Jan. 18	32 —Feb. 24	37¾	34	35¼
Union Pacific	104⅝	65½	87⅛—Mar. 29	71 —Mar. 14	87⅛	71	86⅛
" preferred	95¼	33½	93¼—Mar. 29	86½—Feb. 25	93¼	86½	93
Wabash R. R.	32¾	16⅝	21¾—Jan. 27	17 —Feb. 24	19⅞	17⅜	19⅝
" preferred	55¼	27½	41 —Jan. 25	32¾—Feb. 24	38	32¾	37½
Western Union	93	80¼	89⅝—Mar. 17	86 —Jan. 6	89⅝	87¾	88½
Wheeling & Lake Erie	27⅛	12	19⅛—Jan. 22	14½—Feb. 23	17	16	16¾
" second preferred	38½	20	29¾—Jan. 27	22 —Feb. 24	27	25	27
Wisconsin Central	29¼	14½	21⅞—Jan. 20	16½—Jan. 4	19½	17¼	18⅝
" preferred	55½	33	47⅞—Jan. 27	38 —Jan. 4	43½	39	40¾
"INDUSTRIAL"							
Amalgamated Copper	75⅝	33⅝	52 —Jan. 2	43⅛—Feb. 8	50¼	44⅝	49½
American Car & Foundry	41¾	17¼	21⅝—Jan. 27	17¾—Jan. 6	20½	19	20
" pref.	93	60½	72½—Mar. 31	67 —Jan. 6	72½	68	72½
American Co. Oil Co.	46¼	25¼	32⅞—Jan. 25	28½—Jan. 7	30½	28½	29½
American Ice	11⅞	4	9¼—Jan. 2	6½—Mar. 24	8	6⅛	7⅜
American Locomotive	31⅝	10½	23⅜—Feb. 16	16½—Jan. 6	23⅜	21⅛	21¾
" preferred	95¾	67½	83 —Mar. 22	75½—Jan. 6	83	79	82½
Am. Smelting & Refining Co.	52⅞	36¾	51½—Jan. 28	46 —Feb. 25	49⅝	‹6	49½
" preferred	99½	80¼	94½—Jan. 28	88¾—Jan. 6	93	90	92⅞
American Sugar Ref. Co.	184⅝	107⅛	131⅝—Jan. 25	122¼—Mar. 7	128⅛	122¼	127¾
Anaconda Copper Mining	125½	58	78½—Jan. 5	61 —Feb. 20	68	62	67
Continental Tobacco Co. pref.	119	94¾	109½—Jan. 22	101½—Jan. 4	108	106	107½
Corn Products	35	15½	22⅝—Jan. 25	12¼—Mar. 15	18⅜	12¼	13⅞
" preferred	85⅛	60	74½—Jan. 23	65 —Mar. 9	72	65	69¾
Distillers securities	34¾	20	26½—Jan. 21	22¾—Feb. 29	24½	22¾	24½
General Electric Co.	204	136	179¼—Jan. 23	156½—Feb. 24	170	159½	164⅝
International Paper Co.	19⅞	9	14⅝—Jan. 25	10¾—Jan. 6	12⅝	11⅛	12⅝
" preferred	74¼	57½	67½—Jan. 23	64⅛ Feb. 9	65¾	64½	65¼
National Biscuit	47⅝	32	45 —Mar. 23	36 —Jan. 4	45	40	43½
National Lead Co.	29½	10½	16½—Jan. 23	14⅛—Feb. 25	15⅝	14¼	15
Pressed Steel Car Co.	65¾	22½	33 —Jan. 28	26½—Feb. 24	30¾	27	30
" preferred	95	62½	72½—Jan. 28	69 —Jan. 2	70½	69½	69½
Republic Iron & Steel Co.	22⅝	5⅝	8¾—Jan. 25	6½—Jan. 6	8	7	7⅝
" preferred	80⅝	36¾	49½—Jan. 23	40½—Jan. 4	44	41¾	43⅞
Rubber Goods Mfg. Co.	30	12	22¼—Jan. 27	17¼—Jan. 6	20¼	18⅛	19½
" preferred	84½	60	79½—Jan. 27	74¾—Jan. 15	77¾	75	77¾
U. S. Leather Co.	15¼	6	8¼—Jan. 25	6¾—Feb. 23	7⅜	6¾	7
" preferred	96¾	71½	79¾—Jan. 25	75⅝—Jan. 4	78¾	77	78
U. S. Realty & Con.	28½	4	9⅜—Jan. 21	5⅛—Jan. 15	7¾	5½	6⅛
" preferred			57¾—Feb. 8	40 —Jan. 14	58¼	45⅝	50½
U. S. Rubber Co.	19½	7	14⅝—Jan. 27	10½—Feb. 6	13⅞	11⅝	13⅝
" preferred	58	30¼	55⅝—Mar. 31	41 —Jan. 4	55⅝	47½	55⅝
U. S. Steel	39⅞	10	12⅝—Jan. 2	9⅝—Jan. 6	11⅞	10½	11¼
" pref.	89¾	49¾	60 —Jan. 22	54¼—Feb. 1	59½	54⅞	59½

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MARCH SALES. *High.*	MARCH SALES. *Low.*	*Total.*
Ann Arbor 1st g 4's	1995	7,000,000	Q J	92¾	Mar. 30,'04	93	92⅛	37,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	148,155,000	A & O	101¼	Mar. 31,'04	101¼	99⅝	951,000
" registered			A & O	101¼	Mar. 30,'04	101¼	99¾	11,000
" adjustment, g. 4's	1995	25,616,000	NOV	89⅛	Mar. 31,'04	89⅝	87¾	87,500
" registered			NOV	82½	Jan. 26,'04			
" stamped	1995	26,112,000	M & N	89⅝	Mar. 30,'04	89⅝	88	82,000
" serial debenture 4's—								
" series C	1905	2,500,000	F & A					
" registered			F & A					
" series D	1906	2,500,000	F & A	98	Feb. 1,'04			
" registered			F & A					
" series E	1907	2,500,000	F & A					
" registered			F & A					
" series F	1908	2,500,000	F & A					
" registered			F & A					
" series G	1909	2,500,000	F & A					
" registered			F & A					
" series H	1910	2,500,000	F & A					
" registered			F & A					
" series I	1911	2,500,000	F & A					
" registered			F & A					
" series J	1912	2,500,000	F & A					
" registered			F & A					
" series K	1913	2,500,000	F & A					
" registered			F & A					
" series L	1914	2,500,000	F & A	92⅞	Nov. 10,'02			
" registered			F & A					
" East.Okla.div.1stg.4's	1928	5,645,000	M & S	93⅛	Dec. 21,'03			
" " registered			M & S					
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S					
Atl. Knox. & Nor. Ry. 1st g. 5s	1946	1,000,000	J & D	114⅛	Oct. 8, '02			
Atlan.Coast LineR.R.Co.1stg.4's	1952	36,844,000	M & S	92⅛	Mar. 31,'04	92¾	91	330,000
" registered			M & S	92	Feb. 15,'04			
Charleston & Savannah 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 18,'99			
Savanh Florida & W'n 1st g. 6's	1934	4,056,000	A & O	125⅛	Nov. 30,'03			
" 1st g. 5's	1934	2,444,000	A & O	112⅝	Jan. 26,'04			
Alabama Midland 1st gtd g. 5's	1928	2,800,000	M & N	109	Mar. 9,'04	109	109	1,000
Brunswick & W'n 1st gtd. g. 4's	1938	3,000,000	J & J	87	Aug.22,'01			
Sil.Sps Oc.& G.RR.&ld g.gtd g.4s	1918	1,067,000	J & J	91⅛	Oct. 30,'03			
Balt. & Ohio prior lien g. 3½s	1925	71,798,000	J & J	94⅝	Mar. 30,'04	94¾	93	254,500
" registered			J & J	92⅛	Mar. 16,'04	92⅛	92¼	4,000
" g. 4s	1948	69,963,000	A & O	102	Mar. 31,'04	102¼	100¾	414,000
" g. 4s. registered			A & O	101⅝	Feb. 17,'04			
" ten year c. deb. g. 4's	1911	592,000	M & S	94	Nov. 23,'03			
Pitt Jun. & M. div. 1st g. 3½s.	1925	11,293,000	M & N	88	Mar. 25,'04	88	88	2,000
" registered			QFeb					
Pitt L. E. & West Va. System refunding g 4s	1941	20,000,000	M & N	94¾	Mar. 29,'04	94¾	94¾	4,000
" Southw'n div. 1st g.3½s	1925	43,590,000	J & J	88⅛	Mar. 31,'04	88¾	88	311,000
" registered			Q J	90¼	July 16,'01			
Monongahela River 1st g. g., 5's	1919	700,000	F & A	105⅛	Mar. 11,'04	105⅛	105⅛	1,000
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1908	1,009,000	M & S	100¾	Oct. 28,'03			
Ptsbg Clev. & Toledo, 1st g.6's	1922	515,000	A & O	119⅛	Mar. 7,'04	119⅛	119⅛	2,000
Pittsburg & Western, 1st g.4's	1917	688,000	J & J	98	Aug. 1,'03			
" J. P. Morgan & Co. cer		1,921,000		100¼	Feb. 13,'03			
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,427,000	M & S	114	Mar. 17,'04	114	113⅛	15,000
Alleghany & Wn. 1st g. gtd 4's	1998	2,000,000	A & O					
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	128	June 6,'02			
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	121⅛	Mar. 2,'04	121⅛	121⅛	1,000
" cons. 1st 6's,	1922	3,920,000	J & D	122⅛	Mar. 18,'04	122⅛	122	25,000
Buff. & Susq. 1st refundg g. 4's	1951	3,309,000	J & J	98	Mar. 17,'04	98	97⅛	18,000
" registered			J & J					

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	March Sales. High.	March Sales. Low.	March Sales. Total.
Canada Southern 1st int. gtd 5's,	1908	14,000,000	J & J	103¾	Mar. 31,'04	103¾	102⅞	234,000
" 2d mortg. 5's,	1913	6,000,000	M & S	105	Mar. 31,'04	105⅝	104⅝	15,000
" registered			M & S	107	Aug. 14,'03	....	....	....
Central Branch U. Pac. 1st g. 4's.	1948	2,500,000	J & D	91½	Mar. 14,'04	91¾	90	12,000
Cent. R. & Bkg. Co. of Ga. c. g. 5's,	1987	4,880,000	M & N	107	Mar. 2,'04	107	107	4,000
Central R'y of Georgia, 1st g. 5's.	1945	7,000,000	F & A	116½	Mar. 4,'04	116⅛	116⅛	5,000
" registered $1,000 & $5,000			F & A	....		....	....	....
" con. g. 5's	1945	16,700,600	M & N	106½	Mar. 29,'04	107⅛	105	87,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	105½	Sept. 18,'01	....	....	....
" 1st. pref. inc. g. 5's,	1945	4,000,000	OCT 1	68	Mar. 30,'04	68	35¾	42,000
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	30	Mar. 29,'04	30	28	85,000
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	18½	Mar. 30,'04	18½	18	23,000
" Chat. div. pur. my. g. 4's.	1951	1,840,000	J & D	92	Aug. 21,'02	....	....	....
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	104	Feb. 19,'04	....	....	....
" Mid. Ga. & Atl. div. g 5s.	1947	413,000	J & J	102	June 29,'99	....	....	....
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	103	July 2,'03	....	....	....
Central of New Jersey, gen. g. 5's	1987	45,091,000	J & J	128¾	Mar. 23,'04	129¾	128	78,000
" registered			Q J	128½	Mar. 8,'04	128½	128⅛	5,500
Am. Dock & Improvm't Co. 5's,	1921	4,987,000	J & J	111¾	Mar. 11,'04	111¾	111½	9,000
Lehigh & H. R. gen. gtd g. 5's.	1920	1,062,000	J & J	....		....	....	....
Lehigh & W.-B. Coal con. 5's	1912	2,691,000	Q M	105	Dec. 8,'03	....	....	....
" con. extended gtd. 4½'s.	1910	12,175,000	Q M	101	Mar. 28,'04	101	100⅞	53,000
N.Y. & Long Branch gen. g. 4's.	1941	1,500,000	M & S	....		....	....	....
Ches. & Ohio 6's, g., Series A	1908	2,000,000	A & O	109¾	Mar. 29,'04	109¾	109⅛	30,000
" Mortgage gold 6's	1911	2,000,000	A & O	111	Jan. 2,'04	....	....	....
" 1st con. g. 5's	1939	25,858,000	M & N	116¼	Mar. 30,'04	116¼	115½	161,000
" registered			M & N	113	Mar. 1,'04	113	113	1,000
" Gen. m. g. 4½'s	1992	37,573,000	M & S	101¾	Mar. 31,'04	102	100½	702,000
" registered			M & S	95	Dec. 22,'03	....	....	....
" Craig Val. 1st g. 5's	1940	650,000	J & J	112	May 14,'03	....	....	....
" (R. & A. d.) 1st c. g. 4's,	1989	6,000,000	J & J	101¼	Mar. 30,'04	101½	100⅞	9,000
" 2d con. g. 4's	1989	1,000,000	J & J	94¾	Mar. 25,'04	94¾	94¾	1,000
" Warm S. Val. 1st g. 5's,	1941	400,000	M & S	106½	Oct. 29,'02	....	....	....
Greenbrier Ry. 1st gtd. 4's	1940	2,000,000	M & N	90⅝	Dec. 30,'03	....	....	....
Chic. & Alton R. R. ref. g. 3's	1949	29,696,000	A & O	84½	Mar. 30,'04	84½	83¼	75,000
" " registered			A & O	....		....	....	....
Chic. & Alton Ry 1st lien g. 3½'s.	1950	22,000,000	J & J	77	Mar. 30,'04	77¼	75	211,000
" registered			J & J	83¾	Apr. 16,'02	....	....	....
Chicago, Burl. & Quincy:								
" Chic. & Iowa div. 5's	1905	2,320,000	F & A	104¾	Apr. 11,'19	....	....	....
" Denver div. 4's	1922	4,961,000	F & A	99	Mar. 1,'04	99	99	1,000
" Illinois div. 3½s	1949	41,000,000	J & J	92¼	Mar. 31,'04	93½	91	135,000
" registered			J & J	91¾	Mar. 11,'04	91¾	91¾	10,000
" (Iowa div.) sink. f'd 5's,	1919	2,505,000	A & O	109½	Dec. 23,'03	....	....	....
" 4's	1919	8,222,000	A & O	100¾	Nov. 6,'03	....	....	....
" Nebraska extensi'n 4's,	1927	25,627,000	M & N	105	Mar. 31,'04	105	104⅝	52,000
" registered			M & N	105	Dec. 2,'03	....	....	....
" Southwestern div. 4's.	1921	2,650,000	M & S	100¾	Feb. 8,'04	....	....	....
" 4's joint bonds	1921	215,207,000	J & J	94	Mar. 31,'04	94¼	91¼	1,990,000
" " registered			Q JAN	91⅝	Feb. 24,'04	....	....	....
" 5's, debentures	1913	9,000,000	M & N	106	Mar. 30,'04	107	106	27,000
Han. & St. Jos. con. 6's	1911	8,000,000	M & S	115	Feb. 27,'04	....	....	....
Chicago & E. Ill. 1st s. f'd c'y. 6's.	1907	2,989,000	J & D	106¼	Jan. 14,'04	....	....	....
" small bonds			J & D	112	Apr. 2,'96	....	....	....
" 1st con. 6's, gold	1934	2,653,000	A & O	129⅝	Oct. 22,'03	....	....	....
" gen. con. 1st 5's	1937	14,020,000	M & N	116	Feb. 25,'04	....	....	....
" registered			M & N	119½	Apr. 13,'03	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	118	Jan. 16,'04	....	....	....
Chicago, Indianapolis & Louisville.								
" refunding g. 6's	1947	4,700,000	J & J	128½	Feb. 11,'04	....	....	....
" ref. g. 5's	1947	4,442,000	J & J	108	July 24,'03	....	....	....
Louisv. N. Alb. & Chic. 1st 6's.	1910	3,000,000	J & J	109	Mar. 7,'04	100	109	1,000
Chicago, Milwaukee & St. Paul.								
Chicago Mil. & St. Paul con. 7's,	1905	1,751,000	J & J	173	Mar. 19,'04	173	169	6,000
" terminal g. 5's	1914	4,748,000	J & J	109	Mar. 14,'04	109	109	2,000
" gen. g. 4's, series A	1989	23,676,000	J & J	107¾	Mar. 25,'04	108⅝	107¼	35,000
" registered		....	Q J	111	Dec. 8,'02	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MARCH SALES. *High.*	MARCH SALES. *Low.*	MARCH SALES. *Total.*
• gen. g. 3½'s, series B	1989	2,500,000	J & J	97¼	Mar. 28,'04	97¼	97¼	1,000
• registered	....		J & J	....	....	....	....	....
• Chic. & Lake Sup. 5's	1921	1,360,000	J & J	116½	Apr. 29,'03	....	....	....
• Chic. & M. R. div. 5's	1926	3,083,000	J & J	115⅝	Mar. 21,'04	115⅝	115⅝	10,000
• Chic. & Pac. div. 6's	1910	3,000,000	J & J	110¼	Feb. 23,'04	....	....	....
• 1st Chic. & P. W. g. 5's	1921	25,340,000	J & J	115	Mar. 30,'04	115½	115	22,000
• Dakota & Gt. S. g. 5's	1916	2,856,000	J & J	110	Mar. 31,'04	110	109¾	28,000
• Far. & So. g. 6's assu.	1924	1,250,000	J & J	137½	July 18,'98	....	....	....
• 1st H'st & Dk. div. 7's	1910	5,680,000	J & J	118	Feb. 16,'04	....	....	....
• 1st 5's	1910	990,000	J & J	106	Mar. 25,'04	106	106	9,000
• 1st 7's, Iowa & D, ex	1908	1,048,000	J & J	169	Mar. 14,'04	169	169	4,000
• 1st 5's, La. C. & Dav.	1919	2,500,000	J & J	113⅜	Oct. 28,'03	....	....	....
• Mineral Point div. 5's	1910	2,840,000	J & J	107	Mar. 16,'04	107	107	1,000
• 1st So. Min. div. 6's	1910	7,432,000	J & J	111	Mar. 9,'04	111	111	1,000
• 1st 6's, Southw'n div.	1909	4,000,000	J & J	109¾	Feb. 2,'04	....	....	....
• Wis. & Min. div. g. 5's	1921	4,755,000	J & J	114	Mar. 17,'04	114	114	4,000
• Mil. & N. 1st M. L. 6's	1910	2,155,000	J & D	113	Oct. 27,'03	....	....	....
• 1st con. 6's	1913	5,092,000	J & D	114¼	Mar. 11,'04	114¼	114¼	6,000
Chic. & Northwestern con. 7's	1915	12,832,000	Q F	129⅝	Feb. 4,'04	....	....	....
• extension 4's	1886–1926	18,632,000	F A 15	104	Jan. 2,'04	....	....	....
• registered	....		F A 15	106⅜	Oct. 9,'02	....	....	....
• gen. g. 3½'s	1987	20,538,000	M & N	98½	Mar. 30,'04	98½	97½	29,000
• registered	....		Q F	103	Nov. 19,'98	....	....	....
• sinking fund 6's	1879–1929	5,686,000	A & O	109¾	Feb. 1,'04	....	....	....
• registered	....		A & O	111½	Dec. 11,'03	....	....	....
• sinking fund 5s'	1879–1929	6,769,000	A & O	110¼	Mar. 28,'04	110⅛	110	29,000
• registered	....		A & O	107	Mar. 28,'04	107	106	20,000
• deben. 5's	1909	5,900,000	M & N	105	Mar. 24,'04	105	105	12,000
• registered	....		M & N	104	Mar. 3,'04	104	104	1,000
• deben. 5's	1921	10,000,000	A & O	108¾	Mar. 12,'04	108¾	108½	7,000
• registered	....		A & O	108¾	Jan. 12,'04	....	....	....
• sinking f'd deben. 5's	1933	9,800,000	M & N	116¼	Mar. 24,'04	116¼	116	10,000
• registered	....		M & N	123	May 28,'01	....	....	....
Des Moines & Minn. 1st 7's	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Milwaukee & Madison 1st 6's	1905	1,600,000	M & S	106	Nov. 5,'02	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	108	Oct. 9,'02	....	....	....
Ottumwa C. F. & St. P. 1st 5's	1909	1,600,000	M & S	105⅝	Nov. 17,'03	....	....	....
Winona & St. Peters 2d 7's	1907	1,592,000	M & N	111¼	Dec. 23,'03	....	....	....
Mil., L. Shore & We'n 1st g. 6's	1921	5,000,000	M & N	128⅜	Feb. 29,'04	....	....	....
• ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	117¾	Mar. 26,'04	118⅛	117¼	17,000
• Ashland div. 1st g. 6's	1925	1,000,000	M & S	142½	Feb. 10,'02	....	....	....
• Michigan div. 1st g. 6's	1924	1,281,000	J & J	131¾	Dec. 3,'03	....	....	....
• con. deb. 5's	1907	436,000	F & A	107½	Feb. 21,'01	....	....	....
• incomes	1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup.	1917	12,500,000	J & J	122⅛	Jan. 12,'04	....	....	....
• registered	1917		J & J	120	Feb. 17,'04	....	....	....
• gen. g. 4's	1988	61,581,000	J & J	103	Mar. 31,'04	103	102⅛	121,000
• registered	....		J & J	107	Jan. 16,'03	....	....	....
• coll. tr. ser. 4's ser. B	1904	1,494,000	M & N	98	Aug. 18,'03	....	....	....
• C	1905	1,494,000	M & N	100¾	July 2,'02	....	....	....
• D	1906	1,494,000	M & N	....	....	....	....	....
• E	1907	1,494,000	M & N	....	....	....	....	....
• F	1908	1,494,000	M & N	....	....	....	....	....
• G	1909	1,494,000	M & N	....	....	....	....	....
• H	1910	1,494,000	M & N	99⅝	June 3,'02	....	....	....
• I	1911	1,494,000	M & N	....	....	....	....	....
• J	1912	1,494,000	M & N	....	....	....	....	....
• K	1913	1,494,000	M & N	....	....	....	....	....
• L	1914	1,494,000	M & N	....	....	....	....	....
• M	1915	1,494,000	M & N	99½	July 01,'02	....	....	....
• N	1916	1,494,000	M & N	99⅝	June 28,'20	....	....	....
• O	1917	1,494,000	M & N	....	....	....	....	....
• P	1918	1,494,000	M & N	87	Aug. 7,'03	....	....	....
Chic. Rock Is. & Pac. R.R. 4's	2002	69,557,000	M & N	70⅝	Mar. 31,'04	70½	68	1,006,000
• registered	....		M & N	88¼	Jan. 7,'03	....	....	....
• coll. trust g. 5's	1913	17,061,000	M & S	79	Mar. 31,'04	79	76½	467,000
Burlington, Cedar R. & N. 1st 5's	1906	6,500,000	J & D	103	Mar. 31,'04	103	101¾	55,000
• con. 1st & col. tst 5's	1934	11,000,000	A & O	117	Mar. 21,'04	117	117	1,000
• registered	....		A & O	120½	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's	1921	1,905,000	A & O	118	Jan. 27,'02	....	....	....
Minneap's & St. Louis 1st 7's. g	1927	150,000	J & D	40	Aug. 21,'95	....	....	....
Choc., Okla. & Glf. gen. g. 5s	1919	1,200,000	J & J	104⅝	Jan. 26,'04	....	....	....
• con. g. 5's	1952	5,500,000	J & J	....	....	....	....	....
Des Moines & Ft. Dodge 1st 4's	1905	5,411,000	J & J	95¼	Oct. 1,'03	....	....	....
• 1st 2½'s	1905	1,200,000	J & J	90	Oct. 1,'03	....	....	....
• extension 4 s	....	672,000	J & J	98	Jan. 13,'04	....	....	....
Keokuk & Des M. 1st mor. 5's	1923	2,750,000	A & O	106	Mar. 3,'04	106	106	1,000
• small bond	1923	....	A & O	107	Oct. 1,'01	....	....	....

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NAME. Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	Date.	MARCH SALES. High.	Low.	Total.
Chic., St.P., Minn.& Oma.con. 6's..1930	14,677,000	J & D	131¼	Mar. 26,'04	132	130⅝	40,000
" con.6's reduced to 3½'s.1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's..1918	1,877,000	M & N	130	Mar. 3,'04	130	130	500
North Wisconsin 1st mort. 6's..1930	659,000	J & J	129¾	Mar. 3,'04	129¾	129¾	1,000
St. Paul & Sioux City 1st 6's....1919	6,070,000	A & O	122½	Mar. 9,'04	122½	122	9,000
Chic., Term. Trans. R. R. g. 4's..1947	14,735,000	J & J	80	Mar. 30,'04	80	78½	45,000
Chic. & Wn. Ind. gen'l g. 6's......1932	9,583,000	Q M	110	Mar. 3,'04	110	110	1,000
Cin., Ham. & Day. con. s'k. f'd 7's.1905	927,000	A & O	104½	Dec. 5,'03	....	....	....
" 2d g. 4½'s..............1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's..1941	3,500,000	M & N	113	Dec. 22,'03	....	....	....
Clev., Cin., Chic.& St.L. gen.g.4's..1993	17,657,000	J & D	101	Mar. 31,'04	101	97½	77,000
" do Cairo div. 1st g. 4's..1939	5,000,000	J & J	101½	Oct. 8,'02	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's.1991	4,000,000	J & J	98	Feb. 2,'04	....	....	....
St. Louis div. 1st col. trust g.4's.1990	9,750,000	M & N	102	Mar. 30,'04	102	100¾	43,000
" registered................			99	Jan. 28,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's...1940	1,035,000	M & S	102	Dec. 9,'02	....	....	....
White W. Val. div. 1st g. 4's....1940	650,000	J & J	94½	Aug.31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g.4's.1936	7,599,000	Q F	101½	Mar. 31,'04	101½	100½	14,000
" registered................			95	Nov. 15,'94	....	....	....
" con. 6's..................1920	668,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky & Clev. con. 1st g.5's 1928	2,571,000	J & J	110½	Mar. 15,'04	110½	110½	2,000
Clev., C., C. & Ind. con. 7's......1914	3,991,000	J & D	120	July 28,'02	....	....	....
" sink. fund 7's.........1914		J & D	119⅝	Nov. 19,'89	....	....	....
" gen. consol 6's.........1934	3,205,000	J & J	128	Mar. 16,'04	128	128	6,000
" registered................		J & J	....		....	....	....
Ind. Bloom. & West. 1st pfd 4's.1940	981,500	A & O	104½	Nov.19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's....1938	500,000	Q J	....		....	....	....
Peoria & Eastern 1st con. 4's...1940	8,103,000	A & O	96⅞	Mar. 31,'04	96⅞	95½	9,000
" income 4's.............1990	4,000,000	A	65	Mar. 25,'04	65	63	40,000
Clev., Lorain & Wheel'g con. 1st 5's 1933	5,000,000	A & O	112½	Feb. 9,'04	....	....	....
Clev., & Mahoning Val. gold 5's..1938	2,936,000	J & J	116	Feb. 10,'04	....	....	....
" registered......................		Q J	....		....	....	....
Col. Midld Ry. 1st g. 4's...........1947	8,946,000	J & J	60½	Mar. 11,'04	60½	60	5,000
Colorado & Southern 1st g. 4's...1929	18,808,000	F & A	86	Mar. 31,'04	86	84	437,000
Conn., Passumpsic Riv's 1st g. 4's.1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's..1907	3,067,000	M & S	112⅝	Jan. 25,'04	....	....	....
Morris & Essex 1st m 7's........1914	5,000,000	M & N	129½	Feb. 11,'04	....	....	....
" 1st c. gtd 7's...........1915	11,677,000	J & D	131¼	Mar. 23,'04	131¼	131¼	20,000
" registered..............		J & D	140	Oct. 26,'98	....	....	....
" 1st refund.gtd.g.3½'s.2000	7,000,000	J & D	....		....	....	....
N. Y., Lack. & West'n. 1st 6's...1921	12,000,000	J & J	129¼	Mar. 26,'04	129¼	128⅛	45,000
" const. 5's...............1923	5,000,000	F & A	112	Mar. 15,'04	112	112	8,000
" terml. imp. 4's.........1923	5,000,000	M & N	100¼	Jan. 27,'04	....	....	....
Syracuse, Bing. & N. Y. 1st 7's..1906	1,966,000	A & O	109⅜	Feb. 8,'04	....	....	....
Warren Rd. 1st rfdg.gtd g.3½'s.2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.							
" 1st Penn. Div. c. 7's...1917	5,000,000	M & S	133¾	Mar. 30,'04	133¾	133¾	5,000
" reg.....................1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's.....1906	3,000,000	A & O	108	Jan. 26,'04	....	....	....
" registered.................		A & O	122	June 6,'99	....	....	....
" 6's......................1906	7,000,000	A & O	106	Mar. 11,'04	106	106	1,000
" registered.................		A & O	109½	Nov. 16,'01	....	....	....
Rens. & Saratoga 1st c. 7's......1921	2,000,000	M & N	143¾	Nov. 10,'02	....	....	....
" 1st r 7's.................1921		M & N	147¾	June 18,'03	....	....	....
Denver & Rio G. 1st con. g. 4's...1936	33,450,000	J & J	97⅝	Mar. 31,'04	98	96¾	95,000
" con. g. 4½'s............1936	6,382,000	J & J	106½	May 22,'03	....	....	....
" impt. m. g. 5's.........1928	8,318,500	J & D	104¾	Mar. 19,'04	104¾	104¾	5,000
Rio Grande Western 1st g. 4's..1939	15,200,000	J & J	96½	Mar. 31,'04	96½	95⅞	36,000
" mge.&col.tr.g.4's ser.A.1949	12,200,000	A & O	85	Mar. 30,'04	85	85	8,000
Utah Central 1st gtd. g. 4's...1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Denv. & Southern Ry g. s. fg. 5's.1929	4,923,000	J & D	35	Jan. 21,'04	....	....	....
Des Moines Union Ry 1st g. 5's..1917	628,000	M & N	111	Feb. 28,'03	....	....	....
Detroit & Mack. 1st lien g. 4s......1995	900,000	J & D	97	Dec. 4,'03	....	....	....
" g. 4s......................1995	1,250,000	J & D	94	Mar. 25,'04	94	93⅝	6,000
Detroit Southern 1st g. 4's........1951	3,866,000	J & D	75½	Aug. 25,'03	....	....	....
" Ohio South. div. 1st g. 4's.1941	4,281,000	M & S	79½	Mar. 19,'04	79½	79½	5,000
Duluth & Iron Range 1st 5's......1937	6,732,000	A & O	112½	Mar. 30,'04	112½	112½	5,000
" registered....................		A & O	101½	July 23,'89	....	....	....
" 2d l m 6s.................1916	2,000,000	J & J	....		....	....	....
Duluth So. Shore & At. gold 5's..1937	3,816,000	J & J	111	Jan. 28,'04	....	....	....
Elgin Joliet & Eastern 1st g 5's..1941	3,500,000	M & N	115	Jan. 13,'04	....	....	....

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Erie 1st ext. g. 4's....................1947	2,482,000	M & N	114	May 25,'03	....	....	....
• 2d extended g. 5's.....1919	2,149,000	M & S	112⅛	Mar. 24,'03	112⅛	112⅛	5,000
• 3d extended g. 4½'s...1923	4,617,000	M & S	110¾	Feb. 25,'04	....	....	....
• 4th extended g. 5's....1920	2,926,000	A & O	114	Mar. 24,'04	114	114	2,000
• 5th extended g. 4's....1928	709,500	J & D	101⅞	June 26,'03	....	....	....
• 1st cons gold 7's.......1920	16,390,000	M & S	131¼	Mar. 24,'04	131¼	131¼	23,000
• 1st cons. fund g. 7's....1920	3,699,500	M & S	130	Aug. 7,'03	....	....	....
Erie R.R. 1st con.g-4s prior bds.1996	35,000,000	J&J	97¾	Mar. 31,'04	97¾	96⅛	228,000
• registered..................		J&J	98⅛	Jan. 21,'04	....	....	....
• 1st con. gen. lien g. 4s.1996	34,885,000	J&J	85⅛	Mar. 30,'04	85⅛	84⅛	149,000
• registered..................		J&J	85¾	Feb. 4,'04	....	....	....
• Penn. col. trust g. 4's.1951	32,000,000	F & A	90	Mar. 30,'04	90	89	22,000
Buffalo, N. Y. & Erie 1st 7's.....1916	2,380,000	J & D	125⅛	June17,'03	....	....	....
Buffalo & Southwestern g. 6's..1908	1,500,000	J&J	....		....	....	....
• small		J&J	....		....	....	....
Chicago & Erie 1st gold 5's.....1982	12,000,000	M & N	118¼	Mar. 30,'04	118⅛	117⅛	71,000
Jefferson R. R. 1st gtd g. 5's....1909	2,800,000	A & O	106	Aug. 5,'02	....	....	....
Long Dock consol. g. 6's.......1935	7,500,000	A & O	132	Mar. 17,'04	132	132	3,000
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's..........1922	1,100,000	M&N	113⅛	Jan. 12,'04	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's...........1913	3,396,000	J&J	113⅛	Nov.25,'03	....	....	....
N. Y. & Greenw'd Lake gt g 5's..1946	1,453,000	M&N	108⅛	Jan. 6,'04	....	....	....
• small......................							
Midland R. of N. J. 1st g. 6's...1910	3,500,000	A & O	111⅝	Mar. 17,'04	111⅝	111⅝	1,000
N.Y., Sus.&W. 1st refdg. g. 5's..1937	3,745,000	J & J	110⅛	Mar. 17,'04	110⅛	110¼	23,000
• 2d g. 4½'s...............1937	447,000	F & A	99	Nov. 4,'03	....	....	....
• gen. g. 5's..............1940	2,546,000	F & A	104	Jan. 22,'04	....	....	....
• term. 1st g. 5's.........1943	2,000,000	M & N	113⅛	Jan. 8,'04	....	....	....
• registered......$5,000 each		M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's..1942	3,000,000	J & D	108⅛	Mar. 19,'04	108⅛	107⅛	5,000
Evans. & Terre Haute 1st con. 6's.1921	3,000,000	J & J	116	Mar. 25,'04	116	116	1,000
• 1st General g 5's.........1942	2,223,000	A & O	103⅛	Mar. 29,'04	103⅛	103	5,000
• Mount Vernon 1st 6's...1923	375,000	A & O	112	June 2,'02	....	....	....
• Sul. Co. Bch. 1st g 5's...1930	450,000	A & O	95	Sept.15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's....1926	1,581,000	J & J	107	Dec. 17,'03	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s.1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs.dep.1st 6's..1921	3,175,000	......	105⅛	Mar. 30,'04	105⅛	104⅛	15,000
Ft. Worth & Rio Grande 1st g 5's.1928	2,363,000	J & J	73¼	Mar. 30,'04	73¼	72¼	3,000
Galveston H. & H. of 1882 1st 5s..1913	2,000,000	A & O	102⅛	Mar. 31,'04	103⅛	102⅛	7,000
Gulf & Ship Isl. 1st refg.&ter.5's..1952	4,591,000	J & J	102	Mar. 16,'04	102	102	1,000
• registered..................		J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s...1999	12,139,000	J & J	105⅛	Mar. 30,'04	105⅛	103¾	63,000
• registered..................		J & J	....		....	....	....
Col. Hock's Val. 1st ext. g. 4's.1848	1,401,000	A & O	101	Nov.23,'03	....	....	....
Illinois Central, 1st g. 4's..........1951	1,500,000	J&J	114	Oct. 27,'03	....	....	....
• registered..................		J&J	113⅛	Mar. 12,19'	....	....	....
• 1st gold 3½'s...........1951	2,499,000	J&J	99½	Oct. 14,'03	....	....	....
• registered..................		J&J	94	Mar. 28,'03	....	....	....
• extend 1st g 3½'s...: .1951	3,000,000	A & O	99¼	Oct. 22,'03	....	....	....
• registered..................		A & O	....		....	....	....
• 1st g 3s sterl. £500,000..1951	2,500,000	M & S	92½	July 13,'96	....	....	....
• registered..................		M & S	....		....	....	....
• total outstg....$13,950,000							
• collat. trust gold 4's..1952	15,000,000	A & O	103	Nov. 6,'03	....	....	....
• regist'd..................		A & O	102	Oct. 4,'03	....	....	....
• col.t.g.4sL.N.O.&Tex.1953	24,679,000	M & N	103	Mar. 31,'04	103	102½	29,000
• registered		M & N	104⅝	May 20,'02	....	....	....
• Cairo Bridge g 4's.....1950	3,000,000	J & D	106⅛	Mar. 7,'03	....	....	....
• registered..................		J & D	123	May 24,'99	....	....	....
• Louisville div.g. 3½'s.1953	14,320,000	J & J	95	Feb. 9,'04	....	....	....
• registered..................		J & J	88½	Dec. 8,'99	....	....	....
• Middle div. reg. 5's...1921	600,000	F & A	95	Dec. 21,'99	....	....	....
• St. Louis div. g. 3's....1951	4,939,000	J & J	80	Jan. 12,'04	....	....	....
• registered..................		J & J	101¼	Jan. 31,'19	....	....	....
• g. 3½'s 1951	6,321,000	J & J	85⅛	Mar. 10,'04	85⅛	85½	10,000
• registered..................		J & J	101⅛	Sept. 10,'95	....	....	....
• Sp'gfield div 1stg 3½'s,1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
• registered..................		J & J	124	Dec. 11,'99	....	....	....
• West'n Line 1st g. 4's, 1951	5,425,000	F & A	106¾	Mar. 28,'04	106¾	106¾	2,000
• registered..................		F & A	101½	Jan.31,'91	....	....	....
Belleville & Carodt 1st 6's......1923	470,000	J & D	124	May 16,'03	....	....	....

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NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	*Date.*	MARCH SALES. *High.*	*Low.*	*Total.*
Carbond'e & Shawt'n 1st g. 4's, 1932	241,000	M & S	105	Jan. 22,'19'	....	....	....
Chic., St. L. & N. O. gold 5's....1951	16,555,000	J D 15	119	Feb. 25,'04	....	....	....
" gold 5's, registered........		J D 15	119¾	Mar. 12,'04	119¾	119¾	1,000
" g. 3½'s................1951	1,352,000	J D 15	87	Jun. 23,'04	....	....	....
" registered................		J D 15	106¼	Aug. 17,'99	....	....	....
" Memph. div. 1st g. 4's, 1951	3,500,000	J & D	102¼	Dec. 15,'03	....	....	....
" registered................		J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's, 1931	508,000	M & S	101	Mar. 3,'02	....	....	....
Ind., Dec. & West. 1st g. 5's......1935	1,824,000	J & J	106	Mar. 28,'04	106	106	1,000
" 1st gtd. g. 5's............1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's..1950	4,850,000	J & J	101	Feb. 29,'04	....	....	....
Internat. & Gt. N'n 1st. 6's, gold. 1919	11,291,000	M & N	119	Mar. 11,'04	119	119	1,000
" 2d g. 5's..................1909	10,391,000	M & S	98⅛	Mar. 30,'04	99	97	328,500
" 3d g. 4's..................1921	2,959,500	M & S	70	Nov. 19,'03	....	....	....
Iowa Central 1st gold 5's.........1938	7,650,000	J & D	110¼	Mar. 30,'04	110¼	109⅛	26,000
" refunding g. 4's ...1951	2,000,000	M & S	89	Feb. 5,'04	....	....	....
Kansas City Southern 1st g. 3's..1950	30,000,000	A & O	70⅛	Mar. 31,'04	70⅛	68	62,000
" registered....................		A & O	63¼	Oct. 16,'19'	....	....	....
Lake Erie & Western 1st g. 5's...1937	7,250,000	J & J	117	Mar. 22,'04	118	117	6,000
" 2d mtge. g. 5's...........1941	3,625,000	J & J	112⅛	Mar. 25,'04	112⅛	112	9,000
Northern Ohio 1st gtd g 5's... 1945	2,500,000	A & O	112	Feb. 16,'04	....	....	....
Lehigh Val. (Pa.) coll. g. 5's.....1997	8,000,000	M & N	110	Feb. 3,'02	....	....	....
" registered....................		M & N	....	....	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s. 1940	15,000,000	J&J	106	Mar. 22,'04	106	106	1,000
" registered....................	....	J&J	105	Jan. 6,'04	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's. 1941	10,000,000	A & O	113⅝	June 1,'02	....	....	....
" registered....................		A & O	109⅛	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's. 1933	10,014,000	J & J	107	Jan. 19,'04	....	....	....
" registered...............1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's.....1945	2,000,000	M&S	94	Dec. 24,'03	....	....	....
" registered....................		M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's 1914	750,000	A & O	....	....	....	....	....
" " g. gtd 5's.......1914	1,250,000	A & O	100	Mar. 25,'99	....	....	....
Long Island 1st cons. 5's..........1931	3,610,000	Q J	113⅛	Aug. 25,'03	....	....	....
" 1st con. g. 4's...........1931	1,121,000	Q J	101	Nov. 22,'99	....	....	....
Long Island gen. m. 4's..........1938	3,000,000	J & D	100¾	Mar. 24,'04	100¾	100	6,000
" Ferry 1st g. 4½'s......1922	1,494,000	M & S	101	Feb. 29,'04	....	....	....
" g. 4's...................1932	325,000	J & D	102½	May 5,'97	....	....	....
" unified g. 4's...........1949	6,860,000	M & S	99	Feb. 19,'04	....	....	....
" deb. g. 5's........1934	1,135,000	J & D	111	Jan. 22,'02	....	....	....
Brooklyn & Montauk 1st 6's....1911	250,000	M & S	....	....	....	....	....
" 1st 5's...................1911	750,000	M & S	105¼	Mar. 3,'03	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's, ..1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's, 1927	883,000	M & S	112½	Jan. 10,'02	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's, 1932	1,425,000	Q JAN	112½	Apr. 9,'02	....	....	....
Louis. & Nash. gen. g. 6's.......1930	8,584,000	J & D	115¾	Mar. 28,'04	115¾	115¾	1,000
" gold 5's................1937	1,764,000	M & N	110½	Dec. 18,'03	....	....	....
" Unified gold 4's........1940	29,677,000	J & J	99	Mar. 31,'04	99	98¼	241,000
" registered 1940		J & J	83	Feb. 27,'93	....	....	....
" collateral trust g. 5's, 1931	5,129,000	M & N	110	Mar. 28,'04	110	110	2,000
" E., Hend. & N. 1st 6's..1919	1,730,000	J & D	113	Nov. 5,'03	....	....	....
" L. Cin. & Lex. g. 4½'s...1931	3,258,000	M & N	108¼	Jan. 30,'03	....	....	....
" N. O. & Mobile 1st g. 6's..1930	5,000,000	J & J	125	Mar. 30,'04	125	125	1,000
" 2d g. 6's................1930	1,000,000	J & J	122¾	Aug. 31,'03	....	....	....
" Pensacola div. g. 6's...1920	580,000	M & S	116⅝	Mar. 22,'02	....	....	....
" St. Louis div. 1st g. 6's. 1921	3,500,000	M & S	119	Mar. 22,'04	119	119	3,000
" 2d g. 3's................1980	3,000,000	M & S	75	June 20,'02	....	....	....
" H. B'ge 1st sk'fd. g 6's. 1931	1,587,000	M & S	....	....	....	....	....
" Ken. Cent. g. 4's......1987	6,742,000	J & J	97¾	Jan. 27,'04	....	....	....
" L. & N. & Mob. & Montg 1st. g. 4½s...........1945	4,000,000	M & S	107½	June 2,'02	....	....	....
" South. Mon. joint 4's. 1952	11,827,000	J & J	91½	Mar. 31,'04	91½	91	29,000
" registered..................		Q Jan	....	....	....	....	....
" N. Fla. & S. 1st g. g. 5's, 1937	2,096,000	F & A	111	Dec. 8,'03	....	....	....
" Pen. & At. 1st g. g. 6's, 1921	2,454,000	F & A	115	Jan. 29,'04	....	....	....
" S. & N. A. con. gtd. g. 5's. 1936	3,673,000	F & A	115	Jan. 25,'04	....	....	....
" So. & N. Ala. si'fd. g. 6s. 1910	1,942,000	A & O	110	Mar. 23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's. 1945	3,000,000	M & S	97⅛	Mar. 21,'04	97⅛	91⅛	5,000
Manhattan Railway Con. 4's.....1990	28,065,000	A & O	103¾	Mar. 29,'04	104	103¼	147,000
" registered..................		A & O	103⅞	Dec. 17,'02	....	....	....

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Name. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	March Sales. High.	March Sales. Low.	March Sales. Total.
Metropolitan Elevated 1st 6's....1908	10,818,000	J & J	108¾	Mar. 31,'04	108¾	108⅛	8,000
Manitoba Swn. Coloniza'n g. 5's, 1934	2,544,000	J & D	....		....	....	....
Mexican Central.							
„ con. mtge. 4's..........1911	65,690,000	J & J	65	Mar. 31,'04	65⅝	64	23,000
„ 1st con. inc. 3's.........1939	20,511,000	JULY	13⅛	Mar. 31,'04	14¼	13	662,000
„ 2d 3's..................1939	11,724,000	JULY	7⅛	Mar. 30,'04	8¾	7	73,000
„ equip. & collat. g. 5's....1917	600,000	A & O	....		....	....	......
„ 2d series g. 5's..........1919	715,000	A & O	....		....	....	....
„ col. trust g. 4½'s 1st se of 1907	10,000,000	F & A	94¼	Mar. 29,'04	94¼	91¼	101,000
Mexican Internat'l 1st con g. 4's, 1977	3,362,000	M & S	90⅝	July 29,'01	....	....	....
„ stamped gtd..............	3,621,000	......	....		....	....	....
Mexican Northern 1st g. 6's.....1910	1,061,000	J & D	....		....	....	....
„ registered..................		J & D	105	May 2,19'	....	....	....
Minneapolis & St. Louis 1st g. 7's. 1927	950,000	J & D	142	Dec. 7,'03	....	....	....
„ Iowa ext. 1st g. 7's......1909	1,015,000	J & D	112⅝	Dec. 24,'03	....	....	....
„ Pacific ext. 1st g. 6's....1921	1,382,000	J & A	120⅛	Feb. 29,'04	....	....	....
„ Southw. ext. 1st g. 7's...1910	636,000	J & D	121	Jan. 21,'02	....	....	....
„ 1st con. g. 5's...........1934	5,000,000	M & N	115	Mar. 31,'04	115	115	2,000
„ 1st & refunding g. 4's...1949	7,600,000	M & S	96	Mar. 28,'04	96	96	10,000
Minn., S. P. & S. S. M., 1st c. g. 4's. 1938	28,815,000	J & J	98	Apr. 3,'01	....	....	....
„ stamped pay. of int. gtd.			....		....	....	....
Minneapolis & Pacific 1st m. 5's..1936	337,000	J & J	102	Mar. 26,'87	....	....	....
„ stamped 4's pay. of int. gtd.			....		....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's. 1926	8,209,000	J & J	103	Nov. 11,'01	....	....	....
„ stamped pay. of int. gtd.			89⅝	June 18,'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's. 1990	40,000,000	J & D	100	Mar. 31,'04	100	97¼	223,000
„ 2d mtge. g. 4's.........1990	20,000,000	F & A	77½	Mar. 31,'04	78	77⅛	92,500
„ 1st ext gold 5's.. 1944	2,868,000	M & N	101	Mar. 31,'04	101	99	245,000
St. Louis div. 1st refundg 4s...2001	1,852,000	A & O	82	Mar. 28,'04	82	80	16,000
Dallas & Waco 1st gtd. g. 5's....1940	1,340,000	M & N	102	Jan. 26,'04	....	....	....
Mo. K. & T. of Tex 1st gtd. g. 5's. 1942	3,907,000	M & S	100⅛	Mar. 31,'04	101⅛	99	160,000
Sher. Shrevept & So 1st gtd. g. 5's 1943	1,689,000	J & D	103	Mar. 15,'04	103	102⅛	19,000
Kan. City & Pacific 1st g. 4's...1990	2,500,000	F & A	86	Mar. 8,'04	86	86	2,000
Mo. Kan. & East'n 1st gtd. g. 5's. 1942	4,000,000	A & O	111	Mar. 2,'04	111	111	2,000
Missouri, Pacific 1st con. g. 6's...1920	14,904,000	M & N	120	Mar. 31,'04	120	119⅛	163,000
„ 3d mortgage 7's.......1906	3,828,000	M & N	107⅝	Mar. 18,'03	107⅝	107⅝	1,000
„ trusts gold 5's stamp'd 1917	14,376,000	M & S	105⅛	Mar. 31,'04	105⅛	104¼	65,000
„ registered..............		M & S	....		....	....	....
„ 1st collateral gold 5's. 1920	9,636,000	F & A	105¼	Mar. 29,'04	105¾	104¾	19,000
„ registered...............		F & A	....		....	....	....
Cent. Branch Ry. 1st gtg. g. 4's. 1919	3,459,000	F & A	92¼	Mar. 29,'04	92¼	92¼	3,000
Leroy & Caney Val. A. L. 1st 5's. 1926	520,000	J & J	100	May 1,'01	....	....	....
Pacific R. of Mo. 1st m. ex. 4's. 1938	7,000,000	M & S	101⅛	Mar. 29,'04	101⅛	101¼	3,000
„ 2d extended g. 5's.....1938	2,573,000	F & A	109⅛	Mar. 7,'04	109⅛	109⅛	1,000
St. L. & I. g. con. R.R. & l. gr. 5's 1931	36,799,000	A & O	114⅞	Mar. 31,'04	115⅛	112¾	155,000
„ stamped gtd gold 5's..1931	6,532,000	A & O	109¾	Oct. 21,'03	....	....	....
„ unify'g & rfd'g g. 4's. 1929	27,457,000	J & J	88	Mar. 31,'04	88	85⅛	75,000
„ registered..............		J & J	....		....	....	....
„ riv & gulf divs 1st g 4s. 1933	12,242,000	M & N	91	Mar. 22,'04	91¼	91	41,009
„ registered...............		M & N	....		....	....	....
Verdigris V'y Ind. & W. 1st 5's. 1926	750,000	M & S	....		....	....	....
Mob. & Birm., prior lien, g. 5's...1945	374,000	J & J	111⅛	Mar. 8,04'	111⅛	111⅛	2,000
„ small........................	226,000	J & J	90	Feb. 4,'03	....	....	....
„ mtg. g. 4's...............1945	700,000	J & J	91	Feb. 25,'04	....	....	....
„ small........................	500,000	......	....		....	....	....
Mob. Jackson & Kan. City 1st g. 5's. 1946	1,882,000	J & D	102	July 25,'02	....	....	....
Mobile & Ohio new mort. g. 6's..1927	7,000,000	J & J	123¾	Dec. 31,'03	....	....	....
„ 1st extension 6's......1927	974,000	J & D	120	Jan. 11,'04	....	....	....
„ gen. g. 4's.............1938	9,472,000	Q J	94	Feb. 24,'04	....	....	....
„ Montg'ry div. 1st g. 5's. 1947	4,000,000	F & A	114	Jan. 18,'04	....	....	....
St. Louis & Cairo gtd g. 4's.....1931	4,000,000	M & S	93	Feb. 3,'03	....	....	....
„ collateral g. 4's........1930	2,494,000	Q F	88⅛	Mar. 8,'03	88⅛	88⅛	1,000
Nashville, Chat. & St. L. 1st 7's...1913	6,300,000	J & J	123⅛	Mar. 26,'04	123⅛	120¾	7,000
„ 1st cons. g. 5's..........1928	7,566,000	A & O	115	Mar. 16,'04	115	115	5,000
„ 1st g. 6's Jasper Branch. 1923	371,000	J & J	123	Mar. 28,'01	....	....	....
„ 1st 6's McM. M.W. & Al. 1917	750,000	J & J	116	July 31,'02	....	....	....
„ 1st 6's T. & Pb...........1917	300,000	J & J	110	Dec. 20,'99	....	....	....
Nat. R.R. of Mex. prior lien g. 4½'s. 1926	20,000,000	J & J	101	Feb. 24,'04	....	....	....
„ 1st con. g. 4's............1951	22,000,000	A & O	75	Mar. 28,'04	76	73⅞	87,000
N. O. & N. East. prior lien g. 6's..1915	1,320,000	A & O	108⅛	Aug. 13,'94	....	....	....

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Name. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	March Sales. High.	March Sales. Low.	March Sales. Total.
N.Y. Cent. & Hud. R. g. mtg. 3½s. 1997	70,857,000	J & J	97⅞	Mar. 29, '04	97⅞	97	250,000
" " registered......		J & J	98	Jan. 27, '04	....	....	....
" debenture 5's.....1884-1904	4,480,000	M & S	100⅝	Mar. 31, '04	100⅝	100	15,000
debenture 5's reg..........		M & S	100¾	Mar. 31, '04	100¾	100½	9,000
" reg. deben. 5's....1889-1904	639,000	M & S	103⅛	Apr. 30, '01	....	....	....
" debenture g. 4's..1890-1905	5,094,000	J & D	100⅜	Mar. 2, '04	100⅜	100⅜	1,000
" registered................		J & D	99	Dec. 12, '02	....	....	....
" deb. cert. ext. g. 4's...1905	3,581,000	M & N	100⅝	Mar. 16, '04	100⅝	100½	3,500
" registered................		M & N	99½	Nov. 8, '02	....	....	....
Lake Shore col. g. 3½s..........1998	90,578,000	F & A	88¾	Mar. 31, '04	88¾	86	353,000
" registered................		F & A	86½	Mar 30, '04	86¾	86	84,000
Michigan Central col. g. 3½s..1998	19,336,000	F & A	86¾	Mar. 31, '04	87	85½	66,000
" registered................		F & A	91	Jan. 17, '03	....	....	....
Beech Creek 1st. gtd. 4's........1936	5,000,000	J & J	105⅞	Mar. 29, '04	105⅞	105⅞	1,000
" registered		J & J	102	Mar. 31, '03	102	102	1,000
" 2d gtd. g. 5's...........1936	500,000	J & J	....	....	....	....	....
" registered	....	J & J	....	....	....	....	....
" ext. 1st. gtd. g. 3½'s..1951	3,500,000	A & O	....	....	....	....	....
" registered................		A & O	....	....	....	....	....
Carthage & Adiron. 1st gtd g. 4's 1981	1,100,000	J & D	....	....	....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A. 1940	716,000	J & J	95	Apr. 3, '02	....	....	....
" small bonds series B......	33,000	J & J	....	....	....	....	....
Gouv. & Oswega. 1st gtd g. 5's. 1942	300,000	J & D	....	....	....	....	....
Mohawk & Malone 1st gtd g. 4's. 1991	2,500,000	M & S	107½	July 6, 19'	....	....	....
N. Jersey Junc. R. R. g. 1st 4's. 1986	1,650,000	F & A	105	Oct. 10, '02	....	....	....
" reg. certificates..........		F & A	....	....	....	....	....
N.Y. & Putnam 1st con. gtd g. 4's. 1993	4,000,000	A & O	105½	Nov. 15, '96	....	....	....
Nor. & Montreal 1st g. gtd 5's..1916	130,000	A & O	....	....	....	....	....
West Shore 1st guaranteed 4's. 2361	50,000,000	J & J	108	Mar. 31, '04	108⅝	107½	98,000
" registered................		J & J	107	Mar. 29, '04	107⅛	107	38,500
Lake Shore g 3½s..............1997	50,000,000		98½	Mar. 31, '04	100	98	102,000
" registered		J & D	99⅜	Dec. 9, '03	....	....	....
" deb. g. 4's 1928	40,000,000	M & S	99½	Mar. 31, '04	99½	98½	71,000
Detroit, Mon. & Toledo 1st 7's. 1906	924,000	F & A	114	Feb. 6, '02	....	....	....
Kal., A. & G. R. 1st gtd c. 5's...1938	840,000	J & J	....	....	....	....	....
Mahoning Coal R. R. 1st 5's....1934	1,500,000	J & J	121	Nov. 21, '03	....	....	....
Pitt McK'port & Y. 1st gtd 6's..1932	2,250,000	J & J	139	Jan. 21, '03	....	....	....
" 2d gtd 6's...........1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's...1918	600,000	J & J	....	....	....	....	....
Michigan Cent. 6's.............1909	1,500,000	M & S	112¼	Jan. 18, '04	....	....	....
" 5's......................1931	3,576,000	M & S	122	Jan. 16, '04	....	....	....
" 5's reg..................1931		Q M	127	June 19, '02	....	....	....
" 4's......................1940	2,600,000	J & J	110	Dec. 7, '01	....	....	....
" 4's reg...................		J & J	106½	Nov. 26, 19'	....	....	....
" g. 3½'s sec. by 1st mge. on J. L. & S............	1,900,000	M & S	....	....	....	....	....
" 1st g. 3½'s..............1952	12,000,000	M & N	97	Mar. 28, '04	97	97	19,000
Battle C. Sturgis 1st g. g. 3's...1989	476,000	J & D	....	....	....	....	....
N. Y. & Harlem 1st mort. 7's c..1900	12,000,000	M & N	100	Sept. 24, 19'	....	....	....
" 7's registered..........1900		M & N	102¾	Apr. 6, 19'	....	....	....
N. Y. & Northern 1st g. 5's.....1927	1,200,000	A & O	115½	Mar. 8, '04	115½	115½	4,000
R. W. & Og. con. 1st ext. 5's...1922	2,081,000	A & O	117⅛	Mar. 16, '04	117⅛	117⅛	4,000
coup. g. bond currency..........		A & O	....	....	....	....	....
Oswego & Rome 2d gtd gold 5's. 1915	400,000	F & A	113¾	Jan. 25, '02	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's. 1918	375,000	M & N	....	....	....	....	....
Utica & Black River gtd g. 4's..1922	1,800,000	J & J	104	Feb. 9, '04	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's...1937	19,425,000	A & O	104¾	Mar. 31, '04	104¾	103¾	74,000
" registered..................		A & O	101	Mar. 28, '03	101	101	1,000
N. Y., N. Haven & Hartford.							
Housatonic R. con. g. 5's.......1937	2,838,000	M & N	131¾	Apr. 29, '03	....	....	....
New Haven and Derby con. 5's 1918	575 000	M & N	115½	Oct. 15, '94	....	....	....
N. Y. & New England 1st 7's....1905	6,000,000	J & J	106¼	May 14, '03	....	....	....
" 1st 6's.................1905	4,000,000	J & J	101	Sept. 8, '03	....	....	....
N.Y., Ont. & W'n. ref'ding 1st g. 4's. 1992	16,937,000	M & S	101	Mar. 29, '04	101½	100½	47,000
" registered.......$5,000 only.	....	M & S	100	Dec. 7, '03	....	....	....
Norfolk & Southern 1st g. 5's....1941	1,590,000	M & N	111¾	Mar. 29, '04	111¾	111¾	1,000
Norfolk & Western gen. mtg. 6's. 1931	7,283,000	M & N	132	Sept. 2, '03	....	....	....
" imp'ment and ext. 6's...1934	5,000,000	F & A	127	Nov. 28, '03	....	....	....
" New River 1st 6's........1932	2,000,000	A & O	129	Mar. 31, '03	129	128½	2,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sale for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MARCH SALES. *High.*	MARCH SALES. *Low.*	MARCH SALES. *Total.*
Norfolk & West. Ry 1st con. g. 4s.	1996		A & O	98¾	Mar. 30,'04	99	97⅝	489,500
• registered		38,710,500	A & O	96½	Sept. 22,'03	....	....	....
• small bonds			A & O	....	....	....	....	....
• Pocahon C.&C.Co.jt.4's.	1941	20,000,000	J & D	90	Mar. 31,'04	90	88⅝	54,000
• C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	107½	July 1,'01	....	....	....
• Sci'o Val & N.E. 1st g. 4's.	1989	5,000,000	J & N	100¼	Mar. 28,'04	100¼	99½	67,000
N. P. Ry prior ln ry.&ld.gt.g.4's..	1997	101,392,500	Q J	103⅝	Mar. 31,'04	103¾	102½	678,000
• registered			Q J	102½	Mar. 30,'04	102½	101	22,000
• gen. lien g. 3's	2047	56,000,000	Q F	71¾	Mar. 31,'04	72	70⅞	585,000
• registered			Q F	70¼	Feb. 10,'04	....	....	....
St. Paul & Duluth div. g. 4's...	1996	7,897,000	J & D	97⅝	Jan. 11,'04	....	....	....
• registered			J & D	....	....	....	....	....
St. Paul & N. Pacific gen g. 6's.	1923	7,985,000	F & A	122¼	Mar. 9,'04	122¼	122¼	5,000
• registered certificates			Q F	132	July 28,'98	....	....	....
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	112¼	July 21,'03	....	....	....
• 2d 5's	1917	2,000,000	A & O	108¼	Jan. 29,'04	....	....	....
• 1st con. g. 4's	1968	1,000,000	J & D	98	Nov. 27,'03	....	....	....
Washington Cen. Ry 1st g. 4's..	1948	1,538,000	QMCH	94½	Feb. 19,'01	....	....	....
Nor. Pacific Term. Co. 1st g. 6's..	1933	3,641,000	J & J	112½	Mar. 29,'04	112½	112½	1,000
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	114½	May 4,'02	....	....	....
• gen. mortg. g 6's	1937	2,428,000	A & O	108½	July 29,'02	....	....	....
Pacific Coast Co. 1st g. 5's	1946	4,446,000	J & D	108½	Mar. 31,'04	108½	105⅛	68,000
Panama 1st sink fund g. 4½'s	1917	2,246,000	A & O	102	Apr. 21,'03	....	....	....
• s. f. subsidy g 6's	1910	887,000	M & N	102	Apr. 14,'02	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	108⅝	Mar. 31,'04	109	108½	14,000
• reg	1921		J & J	108½	Mar. 29,'04	108½	106¼	3,000
• gtd. 3½ col. tr. reg. cts..	1937	4,895,000	M & S	96	Feb. 8,'04	....	....	....
• gtd. 3½ col. tr. cts. ser B	1941	9,794,000	F & A	92¼	Dec. 28,'03	....	....	....
• Trust Co. ctfs. g. 3½'s.	1916	17,332,000	M & N	95⅞	Mar. 25,'04	95⅞	95⅞	4,000
Chic., St. Louis & P. 1st c. 5's..	1932	1,506,000	A & O	118	Dec. 21,'03	....	....	....
• registered		....	A & O	110	May 3,'92	....	....	....
Cin., Leb. & N. 1st con. gtd. g. 4's.	1942	900,000	J & J	....	....	....	....	....
Clev. & P. gen. gtd. g. 4½'s Ser. A.	1942	3,000,000	J & J	108¼	Aug. 21,'03	....	....	....
• Series B	1942	1,561,000	A & O	....	....	....	....	....
• • int. reduc. 3½ p.c.		439,000	......	....	....	....	....	....
• Series C 3½s	1948	3,000,000	M & N	....	....	....	....	....
• Series D 3½s	1950	1,938,000	F & A	96	Jan. 8,'04	....	....	....
E. & Pitts. gen. gtd. g. 3½s Ser. B..	1940	2,250,000	J & J	102	Nov. 7,19'	....	....	....
• • • C..	1940	1,508,000	J & J	....	....	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's..	1945	1,400,000	J & J	....	....	....	....	....
Pitts., C. C. & St. L. con. g 4½'s..								
• Series A	1940	10,000,000	A & O	110	Mar. 5,'04	110	110	1,000
• Series B gtd	1942	8,786,000	A & O	110	Mar. 5,'04	110	110	2,000
• Series C gtd	1942	1,379,000	M & N	116½	Feb. 14,'01	....	....	....
• Series D gtd. 4's	1945	4,983,000	M & N	101½	Mar. 11,'04	101½	101½	5,000
• Series E gtd. g. 3½s	1949	10,421,000	F & A	92	Feb. 13,'04	....	....	....
Pitts., Ft. Wayne & C. 1st 7's..	1912	2,219,000	J & J	127⅝	Oct. 21,'02	....	....	....
• 2d 7's	1912	1,918,000	J & J	121	Mar. 4,'03	121	121	1,000
• 3d 7's	1912	2,000,000	A & O	120	Mar. 16,'03	....	....	....
Tol Walhonding Vy. & O. 1st gtd. bds 4½'s series A	1931	1,500,000	J & J	....	....	....	....	....
• 4½'s series B	1933	978,000	J & J	....	....	....	....	....
• 4's series C	1942	1,453,000	M & S	....	....	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's...	1923	1,675,000	M & N	105	Mar. 26,'04	105	104½	26,000
con. sterling gold 6 per cent...	1905	22,762,000	J & J	....	....	....	....	....
con. currency, 6's registered...	1905	4,718,000	Q M 15	....	....	....	....	....
con. gold 5 per cent	1919	4,998,000	M & S	114	Dec. 15,'03	....	....	....
• registered			Q M	....	....	....	....	....
con. gold 4 per cent	1943	3,825,000	M & N	106	Aug. 28,'03	....	....	....
• ten year conv. 3½'s..	1912	20,697,500	M & N	96½	Mar. 31,'04	96¼	94¾	256,500
Allegh. Valley gen. gtd. g. 4's...	1942	5,389,000	M & S	110	Aug. 28,19'	....	....	....
Belvedere Del. con. gtd. 3½'s..	1943	1,000,000	J & J	....	....	....	....	....
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	112¾	Mar. 7,19'	....	....	....
Del. R. RR. & Bge Co 1st gtd g. 4's.	1936	1,300,000	F & A	....	....	....	....	....
G. R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	111	Dec. 10,'03	....	....	....
Sunbury & Lewistown 1st g. 4's.	1936	500,000	J & J	....	....	....	....	....
U'd N. J. RR. & Can Co. g 4's...	1944	5,646,000	M & S	117	May 1,19'	....	....	....
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	123½	Jan. 18,'04	....	....	....
• 2d m 4½'s	1921	1,499,000	M & N	95	June 16,'03	....	....	....
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr. 28,'02	....	....	....
Flint & Pere Marquette g. 6's..	1920	3,999,000	A & O	118¾	Mar. 19,'04	118¾	118½	40,000
• 1st con. gold 5's	1939	2,850,000	M & N	108¼	Feb. 13,'04	....	....	....
• Port Huron d 1st g 5's.	1939	3,325,000	A & O	110½	Feb. 19,'04	....	....	....
Sag'w Tusc. & Hur. 1st gtd. g. 4's.	1931	1,000,000	F & A	....	....	....	....	....
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'93	....	....	....

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	March Sales. High.	March Sales. Low.	March Sales. Total.
Pittsburg, Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01			
Pittsburg & L. E. 2d g. 5's ser. A	1928	2,000,000	A & O	112½	Dec. 13,'93			
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	115½	Mar. 7,'04	115½	115½	4,000
" 1st cons. 5's	1943	408,000	J & J	87¾	Jan. 12,19'			
Pittsburg, Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	120½	Dec. 8,'02			
Reading Co. gen. g. 4's	1997	66,026,000	J & J	96¾	Mar. 31,'04	96¾	95⅜	550,000
" registered			J & J	96⅛	July 2,'03			
" Jersey Cent. col. g. 4's	1957	23,000,000		94	Mar. 28,'04	94¼	93½	21,000
" " registered								
Atlantic City 1st con. gtd. g. 4's	1951	1,063,000	M & N					
Philadelphia & Reading, 7's	1911	7,319,000	J & D	119⅜	Mar. 16,'04	119½	119⅜	17,000
Rio Grande June'n 1st gtd. g. 5's	1939	1,850,000	J & D	105	Dec. 19,'03			
Rio Grande Southern 1st g. 4's	1940	2,233,000	J & J	63½	Mar. 29,'04	63½	63½	1,000
" guaranteed		2,277,000		94¼	Nov. 15,'02			
Rutland RR 1st con. g. 4½ s	1941	2,440,000	J & J					
Ogdnsb. & L. Ch'n. Ry. 1st gtd g4s	1948	4,400,000	J & J					
Rutland Canadian 1st gtd. g. 4's	1949	1,350,000	J & J	101¼	Nov. 18,'01			
St. Jo. & Gr. Isl. 1st g. 2,342	1947	3,500,000	J & J	87	Dec. 21,'03			
St. L. & Adirondack Ry. 1st g. 5's	1996	800,000	J & J					
" 2d g. 6's	1996	400,000	A & O					
St. Louis & San F. 2d 6's, Class B	1906	998,000	M & N	104½	Mar. 3,'04	104½	104½	500
" 2d g. 6's, Class C	1906	829,000	M & N	104½	Dec. 22,'03			
" gen. g. 6's	1931	3,681,000	J & J	122¾	Mar. 14,'04	122¾	122¾	1,000
" gen. g. 5's	1931	5,803,000	J & J	110½	Mar. 30,'04	110¾	110½	9,000
St. L & San F. R. R. con. g. 4's	1996	1,558,000	J & D	98	Dec. 16,'03			
" S. W. div. g. 5's	1947	829,000	A & O	100	Jan. 21,'04			
" refunding g. 4's	1951	55,845,000	J & J	82½	Mar. 31,'04	82½	80	241,000
" " registered			J & J					
Kan. Cy Ft. S. & Mem RR cong 6's	1928	13,736,000	M & N	119½	Feb. 4,'04			
Kan. Cy Ft. S & M Ry ref g gtd g4s	1936	14,983,000	A & O	80¾	Mar. 31,'04	80¾	78½	466,000
" registered			A & O	78½	Jan. 14,'04			
Kan. Cy & M. R. & B. Co. 1st gtd g5s	1929	3,000,000	A & O					
St. Louis S. W. 1st g. 4's Bd. ctfs.	1989	20,000,000	M & N	94⅜	Mar. 31,'04	94½	92¾	82,000
" 2d g. 4's inc. Bd. ctfs.	1989	3,272,500	J & J	78	Mar. 31,'04	78½	76	66,000
" con. g. 4's	1932	12,054,000	J & D	72⅝	Mar. 31,'04	72⅝	70⅝	706,000
Gray's Point, Term. 1st gtd. g. 5's	1947	339,000	J & D					
St. Paul, Minn. & Manito'a 2d 6's	1909	7,197,000	A & O	110½	Feb. 26,'04			
" 1st con. 6's	1933	13,344,000	J & J	131	Mar. 26,'04	132	131	51,000
" 1st con. 6's, registered			J & J	140	May 14,'02			
" 1st c. 6's, red'd to g. 4½'s		19,408,000	J & J	107⅝	Mar. 16,'04	107⅝	107⅝	4,000
" 1st cons. 6's register'd			J & J	115¼	Apr. 15,'01			
" Dakota ext'n g. 6's	1910	5,465,000	M & N	110⅞	Mar. 30,'04	111	110⅞	4,000
" Mont. ext'n 1st g. 4's	1937	10,185,000	J & D	101	Mar. 30,'04	101½	101	67,000
" registered			J & D	106	May 6,'01			
Eastern R'y Minn, 1st d. 1st g. 5's	1908	4,700,000	A & O	104	Aug. 15,'03			
" registered			A & O					
" Minn. N. div. 1st g. 4's	1940	5,000,000	A & O					
" registered			A & O					
Minneapolis Union 1st g. 6's	1922	2,150,000	J & J	128	Apr. 4,19'			
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	116	Dec. 7,'03			
" 1st 6's, registered			J & J	115	Apr. 24,'97			
" 1st g. g. 5's	1937	4,000,000	J & J	114½	Mar. 16,'04	114½	114½	1,000
" registered			J & J					
Willmar & Sioux Falls 1st g. 5's	1938	3,625,000	J & D	117	Jan. 11,'04			
" registered			J & D					
Salt Lake City 1st g. s. f. 6's	1913	297,000	J & J					
San Fe Pres. & Phoe. Ry. 1st g. 5's	1942	4,940,000	M & S	110	Jan. 7,'04			
San Fran. & N. Pac. 1st s. f. g. 5's	1919	3,872,000	J & J	113¾	Dec. 11,'01			
Seaboard Air Line Ry g. 4's	1950	12,775,000	A & O	70	Mar. 31,'04	70	69	10,000
" registered			A & O					
" col. trust refdg g. 5's	1911	10,000,000	M & N	97⅛	Mar. 30,'04	97⅛	97	5,000
Carolina Central 1st con. g. 4's	1949	2,847,000	J & J	90	Oct. 7,'03			
Fla Cent & Peninsular 1st g. 5's	1918	3,000,000	J & J	100	Sept. 6,'99			
" 1st land grant ext g. 5's	1930	410,000	J & J					
" cons. g. 5's	1943	4,370,000	J & J	106½	Feb. 26,'02			
Georgia & Alabama 1st con. 5's	1945	2,922,000	J & J	103	Mar. 29,'04	103⅛	102½	55,000
Ga. Car. & Nthern 1st gtd g. 5's	1929	5,360,000	J & J	107	Dec. 15,'03			
Seaboard & Roanoke 1st 5's	1926	2,500,000	J & J					
Sodus Bay & Sout'n 1st 5's, gold	1924	500,000	J & J	102	Jan. 20,'03			
Southern Pacific Co.								
" 2-5 year col. trust g. 4½'s	1905	30,000,000	J & D	100	Mar. 29,'04	100	99	202,000
" g. 4's Central Pac. coll.	1949	28,818,500	J & D	89½	Mar. 31,'04	89½	88¼	99,000
" " registered			J & D	87	Jan. 20,'04			

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Austin & Northw'n 1st g. 5's	1941	1,920,000	J & J	98	Mar. 10,'04	98	98	3,000
Cent. Pac. 1st refud. gtd. g. 4's	1949	64,756,000	F & A	99	Mar. 30,'04	99	97¼	157,500
" registered			F & A	99¼	Mar. 5,'93	....	....	....
" mtge. gtd. g. 3½'s	1929	18,040,500	J & D	84½	Mar. 29,'04	84¾	84¼	19,000
" " registered			J & D	....	....	....	....	....
Gal. Harrisb'gh & S.A. 1st g 6's	1910	4,756,000	F & A	110¼	Feb. 27,'03	....	....	....
" 2d g 7's	1905	1,000,000	J & D	102	Feb. 2,'04	....	....	....
" Mex. & P. div 1st g 5's	1931	13,418,000	M & N	105⅝	Mar. 9,'04	105⅝	105⅝	5,000
Gila Val. G. & N'n 1st gtd g 5's	1924	1,514,000	M & N	105¼	Feb. 1,'04	....	....	....
Houst. E. & W. Tex. 1st g. 5's	1933	501,000	M & N	105	Dec. 18,'03	....	....	....
" 1st gtd. g. 5's	1933	2,199,000	M & N	103	Nov. 6,'02	....	....	....
Houst. & T.C. 1st g 5's int. gtd.	1937	5,267,000	J & J	111¼	Mar. 15,'04	111¼	111	32,000
" con. g 6's int. gtd.	1912	2,616,000	A & O	113	Mar. 21,'04	113	112⅝	29,000
" gen. g 4's int. gtd.	1921	4,287,000	A & O	93	Mar. 18,'04	93	93	18,000
" W&Nwn. div. 1st. g. 6's	1930	1,105,000	M & N	127½	Feb. 27,'02	....	....	....
Morgan's La & Tex. 1st g 6's	1920	1,494,000	J & J	122	Sept. 15,'02	....	....	....
" 1st 7's	1918	5,000,000	A & O	130	Mar. 29,'02	130½	130	11,000
N. Y. Tex. & Mex. gtd. 1st g 4's	1912	1,465,000	A & O	....	....	....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's	1907	3,964,000	J & J	102	July 30,'03	....	....	....
" gtd. g. 5's		4,751,000	A & O	113	Jan. 4,'01	....	....	....
Oreg. & Cal. 1st gtd. g 5's	1927	18,831,000	J & J	100	Jan. 8,'04	....	....	....
San Ant. & Aran Pass 1st gtd g 4's	1943	18,900,000	J & J	79	Mar. 31,'04	79	78	80,000
South'n Pac. of Ariz. 1st 6's	1909	6,000,000	J & J	106½	Mar. 2,'04	106½	106½	5,000
" " "	1910	4,000,000	J & J	107½	Mar. 1,'04	107½	107½	5,000
" of Cal. 1st g 6's ser. A.	1905	29,187,500	A & O	101⅞	Dec. 15,'03	....	....	....
" " " ser. B.	1905		A & O	102	Oct. 22,'03	....	....	....
" " " C. & D.	1906		A & O	106½	May 15,'03	....	....	....
" " " E. & F.	1902		A & O	108	Nov. 2,'03	....	....	....
" " "	1912	....	A & O	119	Mar. 17,'03	....	....	....
" 1st con. gtd. g 5's	1937	6,809,000	M & N	119	Feb. 2,'04	....	....	....
" stamped	1905-1937	21,546,000	......	109¼	Mar. 31,'04	109½	109	46,000
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	....	....	....	....	....
" of N. Mex. c. 1st 6's	1911	4,180,000	J & J	108	Mar. 9,'04	108	108	5,000
Tex. & New Orleans 1st 7's	1905	862,000	F & A	101	Feb. 5,'04	....	....	....
" Sabine div. 1st g 6's	1912	2,575,000	M & S	111½	Oct. 30,'02	....	....	....
" con. g 5's	1943	1,620,000	J & J	103	Jan. 29,'04	....	....	....
Southern Railway 1st con. g 5's	1994	39,208,000	J & J	113	Mar. 31,'04	113¼	111⅛	454,000
" registered			J & J	110	Feb. 29,'04	....	....	....
Mob. & Ohio collat. trust g. 4's	1938	7,999,000	M & S	93	Mar. 10,'04	93	93	3,000
" registered			M & S	....	....	....	....	....
" Memph. div. 1st g. 4-4½-5's	1996	5,183,000	J & J	113	Dec. 18,'03	....	....	....
" registered			J & J	....	....	....	....	....
" St. Louis div. 1st g. 4's	1951	11,250,000	J & J	94	Mar. 31,'04	94	93½	22,000
" " registered			J & J	....	....	....	....	....
Alabama Central, 1st 6's	1918	1,000,000	J & J	120	Mar. 25,'01	....	....	....
Atlantic & Danville 1st g. 4's	1948	3,925,000	J & J	91⅜	Mar. 18,'04	91⅜	91⅜	5,000
Atlantic & Yadkin, 1st gtd g 4s	1949	1,500,000	A & O	....	....	....	....	....
Col. & Greenville, 1st 5-6's	1916	2,000,000	J & J	116	Oct. 20,'03	....	....	....
East Tenn., Va. & Ga. div. g. 5's	1930	3,106,000	J & J	113	Mar. 15,'04	113	113	1,000
" con. 1st g 5's	1956	12,770,000	M & N	118¼	Mar. 30,'04	118½	118	40,000
" reorg. lien g 4's	1938	4,500,000	M & S	110½	Feb. 20,'04	....	....	....
" registered			M & S	....	....	....	....	....
Ga. Pacific Ry. 1st g 5-6's	1922	5,660,000	J & J	122	Mar. 18,'04	122	122	1,000
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	120	Jan. 7,'04	....	....	....
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	115	Mar. 30,'04	115	114	14,000
" deb. 5's stamped	1927	3,368,000	A & O	108½	Dec. 28,'03	....	....	....
Rich. & Mecklenburg 1st g. 4's	1948	315,000	M & N	92	Sept. 9,'02	....	....	....
South Caro'a & Ga. 1st g. 5's	1919	5,250,000	M & S	105½	Mar. 30,'04	105½	104½	12,000
Vir. Midland serial ser. A 6's	1906	600,000	M & S	103	Mar. 29,'04	103	103	5,000
" small			M & S	....	....	....	....	....
" ser. B 6's	1911	1,900,000	M & S	112½	Jan. 6,'03	....	....	....
" small			M & S	....	....	....	....	....
" ser. C 6's	1916	1,100,000	M & S	123	Feb. 8,'02	....	....	....
" small			M & S	....	....	....	....	....
" ser. D 4-5's	1921	950,000	M & S	112	Feb. 18,'03	....	....	....
" small			M & S	....	....	....	....	....
" ser. E 5's	1926	1,775,000	M & S	109½	Jan. 22,'04	....	....	....
" small			M & S	....	....	....	....	....
" ser. F 5's	1931	1,310,000	M & S	108	Nov. 9,'03	....	....	....
Virginia Midland gen. 5's	1936	2,392,000	M & N	110¾	Mar. 12,'04	110¾	110¾	6,000
" gen. 5's. gtd. stamped	1926	2,466,000	M & N	110¾	Mar. 16,'04	110¾	110¾	1,000
W. O. & W. 1st cy. gtd. 4's	1924	1,025,000	F & A	93	Dec. 31,'03	....	....	....
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	113	Mar. 4,'04	113	113	3,000
Spokane Falls & North. 1st g. 6's	1939	2,812,000	J & J	117	July 25,19'	....	....	....
Staten Isl. Ry. N.Y. 1st gtd. g. 4½'s	1943	500,000	J & D	104½	Sept. 2,'02	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	March Sales. High.	March Sales. Low.	March Sales. Total.
Ter. R. R. Assn. St. Louis 1g 4½'s	1939	7,000,000	A & O	114½	Dec. 1,'03	....	....	....
• 1st con. g. 5's	1894-1944	5,000,000	F & A	112¼	Feb. 27,'04	....	....	....
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	110	Mar. 26,'03	110	110	15,000
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th	1905	2,741,000	M & S	100	Sept. 30,'03	....	....	....
• 1st gold 5's	2000	22,120,000	J & D	116¾	Mar. 31,'04	117	115¼	39,000
• 2d gold income, 5's	2000	963,000	MAR.	90	Mar. 17,'04	90	90	10,000
• La. Div. B.L. 1st g. 5's	1931	3,348,000	J & J	108	Feb. 11,'04	....	....	....
Weatherford Mine Wells & Nwn. Ry. 1st gtd. 5's	1930	500,000	F & A	106½	Mar. 7,'04	106½	10 ½	5,000
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	113	Mar. 30,'04	113	113	7,000
• 1st M. g 5's West. div	1935	2,500,000	A & O	111	Sept. 8,'03	....	....	....
• gen. g. 5's	1935	2,000,000	J & D	105¾	Jan. 19,'04	....	....	....
• Kanaw & M. 1st g. g. 4's	1990	2,469,000	A & O	92	Mar. 21,'04	92	92	1,000
Toledo, Peoria & W. 1st g 4's	1917	4,900,000	J & D	86	Mar. 22,'04	86	86	6,000
Tol., St.L. & Wn. prior lien g 3½'s	1925	9,000,000	J & J	83	Mar. 30,'04	83	81½	18,000
• registered			J & J	....	....	....	....	....
• fifty years g. 4's	1925	6,500,000	A & O	69¾	Mar. 29,'04	70	69¾	52,000
• registered			A & O	....	....	....	....	....
Toronto, Hamilton & Buff 1st g 4s	1946	3,280,000	J & D	98	Apr. 29,'03	....	....	....
Ulster & Delaware 1st c. g 5's	1928	2,000,000	J & D	106¼	Feb. 3,'04	....	....	....
• 1st ref. g. 4's	1952	700,000	A & O	....	....	....	....	....
Union Pacific R. R. & ld gt g 4s	1947	100,000,000	J & J	103⅞	Mar. 31,'04	103⅞	102⅝	812,000
• registered			J & J	104	Mar. 25,'04	104	102⅛	7,000
• 1st lien con. g. 4's	1911	87,257,000	M & N	98¾	Mar. 31,'04	98¾	94⅛	4,212,000
• registered			M & N	96¾	Jan. 27,'04	....	....	....
Oreg. R. R. & Nav. Co. con. g 4's	1946	21,482,000	J & D	101⅜	Mar. 31,'04	101⅜	99	96,000
Oreg. Short Line Ry. 1st g. 6's	1922	13,651,000	F & A	122	Mar. 24,'04	122	120¾	49,000
• 1st con. g. 5's. 1946		12,328,000	J & J	113¾	Mar. 28,'04	113¾	112⅛	47,500
• 4's & participat'g g. bds.	1927	41,000,000	F & A	94⅝	Mar. 31,'04	95⅛	90⅞	2,738,000
• registered			F & A	....	....	....	....	....
Utah & Northern 1st 7's	1908	4,993,000	J & J	112	Dec. 30,'03	....	....	....
• g. 5's	1926	1,812,000	J & J	114½	Apr. 19,'02	....	....	....
Virginia & S'western 1st gtd. 5's	2003	2,000,000	J & J	104	Feb. 5,'04	....	....	....
Wabash R.R. Co., 1st gold 5's	1939	33,001,000	M & N	116¼	Mar. 30,'04	116¼	115½	118,000
• 2d mortgage gold 5's	1939	14,000,000	F & A	106½	Mar. 24,'04	107	106½	31,000
• deben. mtg series A	1939	3,500,000	J & J	101½	Apr. 28,'03	....	....	....
• series B	1939	26,500,000	J & J	61¼	Mar. 31,'04	62¼	56⅞	2,313,000
• first lien eqpt. fd. g. 5's	1921	2,755,000	M & S	102	Jan. 13,'04	....	....	....
• 1st g. 5's Det. & Chi. ex	1940	3,349,000	J & J	107	Mar. 5,'04	107	107	7,000
• Des Moines div. 1st g. 4s	1939	1,600,000	J & J	90	Feb. 20,'04	....	....	....
• Omaha div. 1st g. 3½s	1941	3,000,000	A & O	81¾	Mar. 24,'04	81¾	81¾	1,000
• Tol. & Chic. div. 1st g. 4's	1941	3,000,000	M & S	98	Mar. 17,'02	....	....	....
St. L., K. C. & N. St. Chas. B. 1st 6's	1908	473,000	A & O	109½	Mar. 13,'03	....	....	....
Western N.Y. & Penn. 1st g. 5's	1937	9,990,000	J & J	115¼	Feb. 26,'04	....	....	....
• gen g. 3-4's	1943	9,789,000	A & O	95⅞	Oct. 27,'03	....	....	....
• inc. 5's	1943	10,000,000	Nov.	40	Mar. 21,'01	....	....	....
West Va. Cent'l & Pitts. 1st g. 6's	1911	3,250,000	J & J	122	Dec. 15,'03	....	....	....
Wheeling & Lake Erie 1st g. 5's	1926	2,000,000	A & O	112	Feb. 27,'04	....	....	....
• Wheeling div. 1st g. 5's	1928	894,000	J & J	110¼	Nov. 10,'03	....	....	....
• exten. and imp. g. 5's	1930	343,000	F & A	110	Mar. 6,'03	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's	1949	11,618,000	M & S	87⅝	Mar. 31,'04	87⅝	86	38,000
Wisconsin Cen. R'y 1st gen. g. 4s	1949	23,743,000	J & J	89¾	Mar. 29,'04	89¾	89	80,000
STREET RAILWAY BONDS.								
Brooklyn Rapid Transit g. 5's	1945	6,625,000	A & O	102	Mar. 31,'04	102	100	5,000
• 1st ref. conv. g. 4's	2002	5,000,000	J & J	73	Mar. 31,'04	75	73	184,000
• • registered			J & J	....	....	....	....	....
• City R. R. 1st c. 5's 1916	1941	4,373,000	J & J	108½	Mar. 4,'04	108½	108½	3,000
• Qu. Co. & S. c. gd. g. 5's	1941	2,255,000	M & N	100	Mar. 30,'04	100	100	1,000
• Union Elev. 1st. g. 4-5s	1950	16,000,000	F & A	101¾	Mar. 30,'04	102⅛	100⅞	297,000
• stamped guaranteed			......	100¾	July 15,'03	....	....	....
Kings Co. Elev. R. R. 1st g. 4's	1949	7,000,000	F & A	85	Mar. 31,'04	85	83	140,000
• stamped guaranteed			......	....	....	....	....	....
Nassau Electric R. R. gtd. g. 4's	1951	10,474,000	J & J	85½	Jan. 5,'03	....	....	....
City & Sub. R'y, Balt. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn. Ry. & Light'g 1st & rfg. g 4½'s	1951	8,355,000	J & J	92½	Mar. 25,'04	92½	90	6,000
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O	97½	June 13,19'	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	913,000	J & J	....	....	....	....	....
Detroit Cit'ens St. Ry. 1st con. g. 5's	1905	5,485,000	J & J	103	Nov. 23,'01	....	....	....
Grand Rapids Ry 1st g. 5's	1916	2,750,000	J & D	....	....	....	....	....
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....	....	....	....	....
Metro. St. Ry N.Y. g. col. tr. g. 5's	1997	12,500,000	F & A	113⅝	Mar. 22,'04	114	113	56,000
• refunding 4's	2002	12,780,000	A & O	90⅝	Mar. 26,'04	91½	90	48,000

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B'way & 7th ave. 1st con. g. 5's, 1943	7,650,000	J & D	114	Mar. 24,'04	114	113	19,000
" registered		J & D	119⅛	Dec. 3,19'	....	....	....
Columb. & 9th ave. 1st gtd g 5's, 1993	8,000,000	M & S	115⅛	Mar. 24,'04	115⅛	115⅛	1,000
" registered		M & S	....	....	....	....	....
Lex ave & Pav Fer 1st gtd g 5's, 1993	5,000,000	M & S	114	Mar. 3,'04	114	114	1,000
" registered		M & S	....	....	....	....	....
Third Ave. R.R. 1st c. gtd. g. 4's..2000	35,000,000	J & J	94⅛	Mar. 31,'04	95	94⅛	122,000
" registered		J & J	....	....	....	....	....
Third Ave. R'y N.Y. 1st g 5's...1937	5,000,000	J & J	117	Mar. 16,'04	117	116	5,000
Met. West Side Elev. Chic. 1st g. 4's. 1938	9,808,000	F & A	94	Feb. 17,'04	95	94	12,000
" registered		F & A	....	....	....	....	....
Mil. Elec. R. & Light con. 30 yr. g. 5's. 1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's....1919	4,050,000	J & J	110	June 26,'01	....	....	....
St. Jos. Ry. Lig't, Heat & P. 1st g. 5's. 1937	3,500,000	M & N	....	....	....	....	....
St. Paul City Ry. Cable con. g. 5's. 1937	2,480,000	J & J 15	109¼	Apr. 14,'03	....	....	....
" gtd. gold 5's 1937	1,138,000	J & J	112	Nov. 28,'99	....	....	....
Union Elevated (Chic.) 1st g. 5's. 1945	4,387,000	A & O	109½	Dec. 14,'99	....	....	....
United Railways of St. L. 1st g. 4's. 1934	28,292,000	J & J	84⅝	June 25,'03	....	....	....
United R. R. of San Fr. s. fd. 4's...1927	20,000,000	A & O	79¾	Mar. 31,'04	80	78¾	980,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,969,000	M & N	....	....	....	....	....
" 40 years con. g. 5's......1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....

MISCELLANEOUS BONDS.

Name, Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	March Sales. High.	March Sales. Low.	March Sales. Total.
Adams Express Co. col. tr. g. 4's. 1948	12,000,000	M & S	101	Mar. 31,'04	102¼	101	37,000
Am. Steamship Co. of W. Va. g. 5's 1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn. Ferry Co. of N.Y. 1st c. g. 5's. 1948	6,500,000	F & A	64⅛	Mar. 23,'04	64⅛	64⅛	8,000
Chic. Junc. & St'k Y'ds col. g. 5's. 1915	10,000,000	J & J	111	Sept. 30,'03	....	....	....
Der. Mac. & Ma. ld. gt. 3½'s sem. an. 1911	1,775,000	A & O	76½	Mar. 31,'04	76½	76½	2,000
Hackensack Water Co. 1st 4's....1952	3,000,000	J & J	....	....	....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g. 5's....1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim. gen. g. 4's. 1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuildng & Dry Dock 5's.............1890–1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...1951	11,580,000	F & A	91	Mar. 28,'04	91	90⅛	10,500
" registered		F & A	....	....	....	....	....
St. Joseph Stock Yards 1st g. 4½'s 1930	1,250,000	J & J	....	....	....	....	....
St. Louis Terml. Cupples Station & Property Co. 1st g 4½'s 5-20..1917	3,000,000	J & D	....	....	....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	108	Nov. 28,'03	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	113½	Dec. 18,19'	....	....	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.							
Series D 4½'s 1901–1916	1,000,000	J & J	....	....	....	....	....
" E 4's 1907–1917	1,000,000	J & D	....	....	....	....	....
" F 4's 1908–1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
" G 4's 1903–1918	1,000,000	F & A	....	....	....	....	....
" H 4's 1903–1918	1,000,000	M & N	....	....	....	....	....
" I 4's 1904–1919	1,000,000	F & A	....	....	....	....	....
" J 4's 1904–1919	1,000,000	M & N	....	....	....	....	....
" K 4's 1905–1920	1,000,000	J & J	....	....	....	....	....
Small bonds..........	....	......	....	....	....	....	....
INDUSTRIAL AND MFG. BONDS.							
Am. Cotton Oil deb. ext. 4½'s....1915	2,919,000	......	95	Mar. 14,'04	95	95	1,000
Am. Hide & Lea. Co. 1st s. f. 6's...1919	7,863,000	M & S	78	Mar. 31,'04	78	76¾	33,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	1,750,000	M & S	82	Mar. 15,'04	82	82	1,000
Am. Thread Co., 1st coll. trust 4's. 1919	6,000,000	J & J	77	Mar. 29,'04	77	75	11,000
Barney & Smith Car Co. 1st g. 6's. 1942	1,000,000	J & J	105	Jan. 10,19'	....	....	....
Consol. Tobacco Co. 50 year g. 4's. 1951	157,378,200	F & A	59¼	Mar. 31,'04	59¼	56	2,777,000
" registered		F & A	58½	Mar. 31,'04	58½	57¾	2,500
Dis. Secur. Cor. con. 1st g. 5's....1927	13,379,000	A & O	67⅞	Mar. 31,'04	68	65½	311,000
Dis. Co. of Am. coll. trust g 5's..1911	2,580,000	J & J	99	Sept. 16,'03	....	....	....
Illinois Steel Co. debenture 5's...1910	1,400,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	92	Feb. 23,'04	....	....	....
Internat'l Paper Co. 1st con. g 6's. 1918	9,700,000	F & A	105½	Mar. 30,'04	106	105½	66,000
Int. Steam Pump 10 year deb. 6's. 1913	2,500,000	J & J	101	Mar. 30,'04	101	100	11,000
Knick'r'ker Ice Co. (Chic) 1st g 5's. 1928	1,937,000	A & O	93	Feb. 24,'03	....	....	....
Lack. Steel Co., 1st con. g. 5's....1923	15,000,000	A & O	95	Mar. 31,'04	95½	94	155,000
Nat. Starch Mfg. Co., 1st g 6's...1920	2,924,000	J & J	90⅞	Dec. 21,'03	....	....	....
Nat. Starch. Co's fd. deb. g. 5's..1925	4,137,000	J & J	66	Feb. 29,'04	....	....	....
Standard Rope & Twine 1st g. 6's. 1946	2,740,000	F & A	40	Mar. 18,'04	40	39	22,000
Standard Rope & Twine inc. g. 5s..1946	7,500,000	......	3	Mar. 23,'04	3	2½	46,000

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MISCELLANEOUS BONDS—*Continued.*

Name.	Principal Due.	Amount.	Int't paid.	Last Sale. Price.	Last Sale. Date.	March Sales. High.	March Sales. Low.	March Sales. Total.
United Fruit Co., con. 5's	1911	3,794,000	M & S					
U. S. Env. Co. 1st sk. fd. g. 6's	1918	2,000,000	J & J					
U. S. Leather Co. 6% g s. fd deb.	1915	5,280,000	M & N	110⅛	Mar. 15,'04	110⅛	109⅞	57,000
U. S. Reduction & Refin. Co. 6's	1931			79	Aug. 12,'03			
U. S. Shipbldg. 1st & fd g. 5's Ser. A.	1932	14,500,000	J & J	28	Feb. 5,'04			
" collat. and mge. 5's	1932	10,000,000	F & A	91	Jan. 15,'03			
U. S. Steel Corp. 10-60 yr. g. sk. fd 5's	1963		M & N	75¼	Mar. 31,'04	75¼	72	8,885,000
" " " reg.	1963	152,902,000	M & N	74½	Mar. 24,'04	74½	72½	19,000
BONDS OF COAL AND IRON COS.								
Col. Fuel & Iron Co. g. s. fd. g 5's	1943	5,355,000	F & A	97	Mar. 29,'04	97	95¼	23,000
" conv. deb. g. 5's	1911	1,855,000	F & A	74	Mar. 31,'04	74	71	21,000
" " registered			F & A					
" " Trust Co. certfs.		12,213,000		71	Mar. 31,'04	71	70	28,000
Col. C'l & I'n Dev. Co. gtd g. 5's	1909	700,000	J & J	55	Nov. 2,19'			
" Coupons off								
Colo. Fuel Co. gen. g. 6's	1919	640,000	M & N	105	Mar. 9,'04	105	105	9,000
Grand Riv. C'l & C'ke 1st g. 6's	1919	949,000	A & O	115	June 23,'02			
Continental Coal 1st s. f. gtd. 5's	1952	2,750,000	F & A					
Jeff. & Clearf. Coal & Ir. 1st g. 5's	1926	1,588,000	J & D	105½	Oct. 10,'98			
" 2d g. 5's	1926	1,000,000	J & D	102½	Oct. 27,'03			
Kan. & Hoc. Coal & Coke 1st g. 5's	1951	3,000,000	J & J	105	Oct. 24,19'			
Pleasant Valley Coal 1st g. s. f. 5s.	1928	1,162,000	J & J	106¼	Feb. 27,'02			
Roch & Pitts. Cl & Ir. Co. pur my 5's	1946	1,064,000	M & N					
Sun. Creek Coal 1st sk. fund 6's	1912	335,000	J & D					
Tenn. Coal, Iron & R.R. gen. 5's	1951	3,000,000	J & J	99	Nov. 24,'03			
" Tenn. div. 1st g. 6's	1917	1,182,000	A & O	104	Mar. 23,'04	104	102	5,000
" Birmingh. div. 1st con. 6's	1917	3,637,000	J & J	101½	Jan. 12,'04			
Cahaba Coal M. Co., 1st gtd. g. 6's	1922	892,000	J & D	102	Dec. 28,'03			
De Bardeleben C & I Co. gtd. g. 6's	1910	2,729,500	F & A	102½	Mar. 23,'04	102½	102	6,000
Utah Fuel Co. 1st s. f. g. 5's	1931	580,000	M & S					
Va. Iron, Coal & Coke, 1st g. 5's	1949	6,653,000	M & S	71	Mar. 17,'04	71½	71	20,000
Wheel L. E. & P. Cl Co. 1st g 5's	1919	846,000	J & J	32	Jan. 15,19'			
GAS & ELECTRIC LIGHT CO. BONDS.								
Atlanta Gas Light Co. 1st g. 5's	1947	1,150,000	J & D					
B'klyn Union Gas Co. 1st con g. 5's	1945	14,493,000	M & N	114½	Mar. 28,'04	114½	118¼	39,000
Buffalo Gas Co. 1st g. 5's	1947	5,900,000	A & O	65	Feb. 18,'04			
Columbus Gas Co., 1st g. 5's	1932	1,215,000	J & J	104½	Jan. 28,'98			
Detroit City Gas Co. g. 5's	1923	5,603,000	J & J	97¼	Mar. 30,'04	97¾	97	30,000
Detroit Gas Co. 1st con. g. 5's	1918	381,000	F & A	105	June 2,'03			
Eq. G. L. Co. of N. Y. 1st con. g. 5's	1932	8,500,000	M & S	112	Nov. 11,'03			
Gas. & Elec. of Bergen Co, c. g. 5s.	1949	1,146,000	J & D	67	Oct. 2,'01			
Gen. Elec. Co. del. g. 3½'s	1942	2,049,400	F & A	88	Feb. 2,'04			
Grand Rapids G. L. Co. 1st g. 5's	1915	1,225,000	F & A	107¾	Dec. 17,19'			
Hudson Co. Gas Co. 1st g. 5's	1949	9,180,000	M & N	104¾	Mar. 24,'04	104¾	104¾	10,000
Kansas City Mo. Gas Co. 1st g 5's	1922	3,750,000	A & O					
Kings Co. Elec. L. & Power g. 5's	1937	2,500,000	A & O					
" purchase money 6's	1997	5,010,000	J & J	119	Mar. 1,'04	119	119	12,000
Edison El. Ill. Bkln 1st con. g. 4's	1939	4,275,000	J & J	93¼	May 29,'03			
Lac. Gas L't Co. of St. L. 1st g. 5's	1919	10,000,000	Q F	106½	Mar. 30,'04	107	105¼	45,000
" small bonds				97½	Nov. 1,'95			
Milwaukee Gas Light Co. 1st 4's	1927	6,000,000	M & N	89	Mar. 28,'04	89¼	89	4,000
Newark Cons. Gas, con. g. 5's	1948	5,274,000	J & D					
N. Y. Gas EL. H & P Co 1st col tr g 5's	1948	15,000,000	J & D	107	Mar. 31,'04	107½	107	163,000
" registered			J & D					
" purchase mny col tr g 4's	1949	20,927,000	F & A	90½	Mar. 31,'04	91	90½	227,000
Edison El. Illu. 1st conv. g. 5's	1910	4,312,000	M & S	102½	Mar. 15,'04	102½	102½	12,000
" 1st con. g. 5's	1995	2,156,000	J & J	114	Aug. 12,'03			
N. Y. & Qus. Elec. Lg. & P. 1st. c. g. 5's	1930	2,272,000	F & A	101	Feb. 21,'04			
N. Y. & Richmond Gas Co. 1st g. 5's	1921	1,000,000	M & N	100	Mar. 15,'04	100	100	10,000
Paterson & Pas. G. & E. con. g. 5's	1949	3,317,000	M & S					
Peop's Gas & C. Co. C. 1st g. g 6's	1904	2,100,000	M & N	100¼	Dec. 11,'03			
" 2d gtd. g. 6's	1904	2,500,000	J & D	100½	Dec. 16,'03			
" 1st con. g 6's	1943	4,900,000	A & O	123¾	Mar. 30,'04	124	120½	107,000
" refunding g. 5's	1947	2,500,000	M & S	104	Feb. 2,'04			
" refuding registered			M & S					
Chic. Gas Lt & Coke 1st gtd g. 5's	1937	10,000,000	J & J	107½	Mar. 28,'04	107¾	107½	14,000
Con. Gas Co. Chic. 1st gtd. g. 5's	1936	4,346,000	J & D	106½	Mar. 16,'04	106½	104	15,000
Eq. Gas & Fuel, Chic. 1st gtd. g. 6's	1905	2,000,000	J & J	101	Mar. 5,'04	101	101	1,000
Mutual Fuel Gas Co. 1st gtd. g. 5's	1947	5,000,000	M & N	105	Mar. 30,'04	105	105	2,000
" registered								
Syracuse Lighting Co. 1st g. 5's	1951	2,000,000	J & D					
Trenton Gas & Electric 1st g. 5's	1949	1,500,000	M & S	109	Feb. 8,'01			
Utica Elec. L. & P. 1st s. f'd g. 5's	1950	1,000,000	J & J					
Westchester Lighting Co. g. 5's	1950	5,330,000	J & D					

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME.	Principal Due.	Amount.	Int't paid.	Last Sale. Price.	Last Sale. Date.	March Sales. High	March Sales. Low.	March Sales. Total.
TELEGRAPH AND TELEPHONE CO. BONDS.								
Am.Teleph.&Teleg.coll.trust.4's	1929	38,000,000	J & J	96½	Apr. 29,'03	....	....	....
Commercial Cable Co. 1st g. 4's	2397	10,747,300	Q & J	100⅛	Apr. 8,'02	....	....	....
" registered	....		Q & J	100⅛	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.								
Metrop. Tel & Tel. 1st s'k f'd g. 5's	1918	1,823,000	M & N	110¾	Nov.19,'03			
" registered	....		M & N					
N. Y. & N. J. Tel. gen. g 5's	1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's	1938	8,504,000	J & J	107½	Mar. 30,'04	107½	107	18,000
" fundg & real estate g.4½'s	1950	16,000,000	M & N	103⅝	Mar. 31,'04	103⅝	102¼	144,000
Mutual Union Tel. s. fd. 6's	1911	1,957,000	M & N	107½	June23,'03	....	....	....
Northern Tel. Co. gtd fd.4½'s	1934	1,500,000	J & J	102	Feb. 16,'04	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

NAME	Principal Due.	Amount.	Int'st Paid.	Year 1904. High.	Year 1904. Low.	March Sales. High.	March Sales. Low.	March Sales. Total.
United States con. 2's registered	1930	542,909,950	Q J	107¼	105⅛	105⅛	105⅛	10,000
" con. 2's coupon	1930		Q J	106¼	105¼	106¼	105¾	17,000
" con. 2's reg. small bonds	1930		Q J	....	....	....	....	......
" con. 2's coupon small bds.	1930		Q J	....	....	....	....	......
" 3's registered	1908–18	77,135,300	Q F	106¾	106¾	106¾	106¾	3,000
" 3's coupon	1908–18		Q F	108	106¾	107	106¾	1,500
" 3's small bonds reg.	1908–18		Q F	....	....	....	....	......
" 3's small bonds coupon.	1908–18		Q F	107⅛	106¼	106¾	106¼	1,000
" 4's registered	1907	156,801,500	J A J&O	107½	106¾	107½	106¾	6,000
" 4's coupon	1907		J A J&O	108	107	108	108	8,500
" 4's registered	1925	118,489,900	Q F	....	....	....	....	......
" 4's coupon	1925		Q F	134	132¾	133	133	10,000
District of Columbia 3-65's	1924	14,224,100	F & A	....	....	....	....	......
" small bonds	....		F & A	....	....	....	....	......
" registered	....		F & A	....	....	....	....	......
Philippine Islands land pur. 4's	1914–34	7,000,000	Q F	111¾	111¾	111¾	111¾	11,000
STATE SECURITIES.								
Alabama Class A 4 and 5	1906	6,859,000	J & J	....	....	....	....	......
" " small	....	....	....	....	....	....	....	......
" Class B 5's	1906	575,000	J & J	....	....	....	....	......
" Class C 4's	1906	962,000	J & J	....	....	....	....	......
" currency funding 4's	1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.								
Louisiana new con. 4's	1914	10,752,800	J & J	....	....	....	....	......
" " small bonds	....							
Missouri fdg. bonds due	1894–1895	977,000	J & J	....	....	....	....	......
North Carolina con. 4's	1910	3,397,850	J & J	102⅛	102	....	....	......
" small	....		J & J					
" 6's	1919	2,720,000	A & O	....	....	....	....	......
South Carolina 4½'s 20-40	1933	4,392,500	J & J	....	....	....	....	......
Tennessee new settlement 3's	1913	6,681,000	J & J	96	95¼	96	95¼	4,000
" registered	....	6,079,000	J & J	....	....	....	....	......
" small bond	....	362,200	J & J	....	....	....	....	......
Virginia fund debt 2-3's of	1991	18,054,277	J & J	92¼	91½	92¼	91½	4,000
" registered	....		J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871		3,974,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871	.....	8,716,565	....	8	7	....	....	......
FOREIGN GOVERNMENT SECURITIES.								
Frankfort-on-the-Main, Germany, bond loan 3½'s series 1	1901	14,776,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.								
Imperial Russian Gov. State 4% Rente	....	2,310,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.								
Quebec 5's	1908	3,000,000	M & N	....	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's	....	....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200	....	£22,162,120	......	98⅝	98⅝	98⅝	98⅝	1,000
Small bonds denominations of £20	.....	....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.		....	......	....	....	....	....	......

BANKERS' OBITUARY RECORD.

Beard.—D. A. Beard, Jr., President of the Ouachita National Bank, Monroe, La., died March 10 at El Paso, Texas.

Brooks.—Dr. John G. Brooks, ex-mayor of Belfast, Me., and President of the Belfast National Bank, died March 23. He was born at York, Me., February 15, 1821. He graduated from Dartmouth in 1848 and from the Jefferson Medical College in 1851. In 1868 he assisted in organizing the Belfast Savings Bank, and was for many years a trustee. In 1879 he was elected President of the Belfast National Bank. Dr. Brooks was twice chosen mayor of Belfast and had served in both houses of the State Legislature.

Burke.—James E. Burke, Cashier of the Princeton (N. J.) Savings Bank, died February 23, aged fifty years.

Canby.—Wm. M. Canby, President of the Savings Fund Society, Wilmington, Del., since 1880, and a director of the Union National Bank, died March 10 at North Augusta, Ga., where he had gone in search of health. He was born in Philadelphia, in 1831, and early in life was a farmer, but soon entered upon a business career, in which he was very successful.

Carter.—Joseph A. Carter, aged sixty-eight years, senior member of the mercantile firm of Carter & Spaulding, Chicopee, Mass., and President of the First National Bank, of Chicopee, died March 20.

Dissinger.—Aaron Dissinger, President of the Elizabethtown (Pa.) National Bank, died March 3, aged seventy-two years.

Duncan.—Joseph M. Duncan, President of the Silver Springs (N. Y.) National Bank, died February 28.

Flinn.—L. Flinn, President of the First National Bank, Albany, Ore., and ex-mayor of Albany, and formerly county judge, died March 11. He was born in Ireland in 1837 and came to this country while a boy. In 1864 he went to San Francisco and later went to Oregon, at first teaching school and afterwards practicing law. In 1888 he purchased an interest in the First National Bank, of Albany, and became President.

Gearhart.—Bonham R. Gearhart, President of the First National Bank, Danville, Pa., died March 22. He became teller of the bank in 1865, and shortly afterwards Cashier, and in 1898 he was chosen President.

Grace.—Wm. R. Grace, head of the well-known shipping and mercantile firm of W. R. Grace & Co., New York, former mayor of the city, and a man of large wealth, died March 21. He was a director of the Lincoln National Bank, the Lincoln Safe Deposit Co. and the City Trust Company, of New York.

Grant.—Adam Grant, President of the Donohoe-Kelly Banking Co., San Francisco, and a director of the Bank of California, died March 21, aged seventy-seven years. He was a Scotchman by birth, and in the early days of San Francisco formed a partnership with Eugene Kelly for the purpose of engaging in the dry-goods trade.

Hartman.—Hon. Joseph Hartman, President of the Butler County National Bank, Butler, Pa., died February 29. He was born in Armstrong county, Pa., October 18, 1827. In 1862 he enlisted in the 169th Pennsylvania Volunteers, and served nine months in the Civil War. In 1885 he was a member of the State Assembly, and in 1891 was elected President of the Butler County National Bank.

McMichael.—Morton McMichael, President of the First National Bank, Philadelphia, and formerly President of the American Bankers' Association, died March 28. He was one of the oldest bank officers in the country in point of continuous service, and had been with the First National Bank since its organization in 1863. He had been Cashier, Vice-President, and lately was chosen President.

Ricker.—Henry F. J. Ricker, President of the Ricker National Bank, Quincy, Ill., died March 4, aged seventy-eight years. In 1884 he was the Democratic nominee for State Treasurer of Illinois. He left an estate estimated at $2,000,000.

Schuyler.—George Schuyler, junior member of the banking firm of Schuyler & Son, Pana, Ill., died February 23, aged thirty-three years.

Smith.—Col. Thomas Jefferson Smith, President of the Citizens' National Bank, Bowling Green, Ky., and Colonel of the Third Kentucky Regiment, died March 21. Col. Smith was in Cuba with his regiment in the Spanish-American War.

Stone.—Henry D. Stone, Vice-President of the Commercial Bank, Rochester, N. Y., and one of the well-known business men of that city, died February 21.

Wait.—Henry O. Wait, President of the First National Bank, Salamanca, N. Y., died February 27.

White.—Harry S. White, President of the First National Bank, North Platte, Neb., and former mayor of North Platte, died February 25. He was born at Elberon, Ill., March 24, 1841, and at the age of 12 years enlisted in the Union Army and served through the Civil War. At the close of the war he returned to Illinois, and in 1879 went to Wyoming. In 1885 he removed to Nebraska, and in 1891 he was elected treasurer of Dawson county and was re-elected two years later. In 1895 he bought a controlling interest in the First National Bank of North Platte, becoming Vice-President and later President.

JOHN W. CASTLES
President Guaranty Trust Co., New York

For biographical sketch, see page 635.

THE

BANKERS' MAGAZINE

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FIFTY-EIGHTH YEAR. MAY, 1904. VOLUME LXVIII, No. 5.

THE CURRENCY BILL at length reported from the Banking and Currency Committee is a very good measure and represents the conclusions which seem to be generally acquiesced in by experts, after the protracted discussions of banking and financial reform which have been so prominent in banking and financial circles during the last ten or more years.

The history of this discussion shows that the subject of an asset currency to be issued by the banks has been pretty thoroughly threshed out. It seems to have been generally agreed that to change from a system of bank notes so perfectly secured as those now issued under the National banking laws, to bank notes resting on the security of the general assets of the bank, would be a change full of risks impossible entirely to foresee.

Theoretically, the issue of asset notes may seem to be perfectly safe and to have advantages in the way of elasticity not possessed by the present bank-note circulation. The practical examples of a free currency issued by banks in Canada and other countries at first impressed many with a confidence that it would be advantageous to permit similar issues by the banks of the United States. It is perhaps just as well that Congress did not act when the current of opinion was in favor of a change in the form of security underlying bank notes. Longer study of the subject has forced the conclusion that the defects in the present National bank-note system, which formed the strongest argument in favor of a change, are not so inherent and radical as has been assumed. The want of elasticity with which the present system seems to be justly charged under the conditions of the bonded debt of the United States, it is beginning to be recognized, may be removed in part, if not altogether, if the United States bonds which form the security for the bank notes can be maintained at a price near par, and if the restrictions on the free retirement and reissue of notes were removed. The importance of the three million limitation of retire-

ment of circulating notes in any one month has gradually forced itself on people's minds. It is probable that apart from the obvious effect of this provision in preventing contraction in parts of the country where the demand for bank notes was decreasing, and a reissue where such demand was increasing, there was another serious indirect effect in keeping the amount of bonds offered in the markets to a minimum and thus tending abnormally to increase premiums.

The degree of contraction and expansion of a bank currency, in a country so extensive as the United States, is not manifested simply by the increase and decrease in aggregate amount. Even if the aggregate continued the same, there might be very lively contraction in some sections, counteracted and balanced by equally lively expansion in other sections. A real elasticity of a currency means active movement and change caused by the necessity of meeting local needs. The bill of the Banking and Currency Committee removes this three million limit, and leaves the banks free to retire their circulation and throw their bonds on the market as best suits their ideas of profit. This provision is the only one in the bill which directly affects bank currency. There is no reason to doubt that if passed it would do much to restore elasticity to the currency of the National banks. At all events, it is an experiment that is perfectly safe from every point of view and should be tried before resorting to the extreme measures advocated by the asset currency supporters. The bill also repeals the provision which forbids the deposit of customs receipts with the banks, thus removing the danger of the so-called Government surplus. The committee in its report forcibly calls attention to the havoc which might be wrought with the financial interests of the country, if the State and municipal governments throughout the United States should imitate the example of the Federal Government, and keep each its own strong box in which to lock up its reserves of cash. This presentation of the subject, although not new in principle, is a very striking way of calling attention to the defects of the independent Treasury system.

A third provision of the bill is the substitution of subsidiary silver coins for paper money of denominations less than five dollars. This is brought about by the repeal of the limit now fixed on subsidiary silver coinage, and providing for the use of silver dollars in coining the additional subsidiary coin. The bill as a whole is one of repeals, showing that the fact is recognized that too stringent restrictions are the chief cause of the imperfect working of the currency system. At the time of writing, it was not thought that this bill would become a law at present. Notwithstanding its moderation it was believed that it would excite a discussion for which a Congress already impatient of adjournment would not have patience.

The Senate Finance Committee has introduced a bill to give the two per cent. bonds, authorized previously by law to be issued for the construction of the Panama Canal, the same privileges as the twos of 1930 for purposes of National bank circulation. The act authorizing the Panama twos, while permitting them to be used as a basis for bank circulation, omitted to reduce the tax on the circulation based on them to one-half of one per cent. per annum, the rate which banks now pay on circulation based on the twos of 1930. The action of the Senate Finance Committee is intended to correct what must have been an oversight at the time the Panama bonds were authorized.

With the privileges and exemptions of the bonds thus made equal to those of the other twos, they ought to sell at the same market price. No one can have any idea that the United States could market this loan at two per cent. if it were not that the bonds were available for bank-note circulation. It is this ambition to place the national bonds on a credit basis higher than any other nation, that has done more than any other cause to uphold the present system of secured National bank circulation. The falling off in the prices of British consols and French rentes, and in fact of all government securities bearing low rates of interest, is probably due to the great increase of other securities, almost if not quite as safe and bringing in a better income, which has been characteristic of the last quarter century. That there has not been a similar decline in United States bonds is due to the fact that they have been specially vested with the function of sustaining our bank circulation, and their use as security for public moneys deposited with the National banks. While the bonds possess these functions there seems to be no grounds for the apprehensions which have been of late expressed in some quarters, that the Panama Canal bonds will not sell at par, as is insisted on in the act authorizing them.

While the employment of the bonds for banking purposes is of great use in sustaining the credit of the national loans, it is believed that it would be better for the elasticity of bank circulation if the rates of interest of United States bonds were so adjusted that the price would not vary greatly from par at any time; even if the bonds occasionally fell below it would be no detriment, except perhaps in a sentimental sense.

From the earliest history of the Government it has been a tradition never to issue a loan below par, and there have undoubtedly been times when the Government has been forced to pay greater interest because of adherence to this rule. The consequence has been, at least since the establishment of the National banking system, that as the Government credit has improved all classes of United States bonds have stood above par with a tendency to increase in premium. This

increase in premium has tempted the banks to retire and issue circulation more in accordance with the fluctuations of the bond market than in accordance with the needs of business. Comptrollers of the Currency have pointed out that if the bonds on which circulation was based could be so regulated as to interest that their market price would remain practically fixed at about par, that this motive for the fluctuations of bank currency would be reduced to a minimum, and that the issue and retirement of National bank notes would be more in accordance with the wants of business.

The desire to realize premiums has not, however, been the only reason for the retirement of National bank currency in the past. The issue of silver dollars and silver certificates, beginning in 1878, was an important factor in dwarfing the bank issues for a number of years. Since the silver certificates and silver dollars have ceased to increase, the increase of bank notes will now be encouraged by any causes leading to a demand for more currency. The increase in the stock of gold and the use of gold certificates have no doubt had an effect to render the increase of bank notes slower than it would otherwise have been, but if for any cause gold goes out of the country, or if the new supplies of gold should prove inadequate to currency demands, it will probably be found that the country can depend upon the banks to supply what may be needed in the form of bank notes.

It is likely that the issue of the Panama bonds from time to time as they are needed will cause just the additions to the circulating medium that the increase in the wealth and business of the country will demand for the period required in the construction of the canal. During the month ending April 1 gold certificates showed a reduction of about $13,000,000. National bank notes, silver certificates and United States notes showed an increase of about the same amount, of which increase the bank notes amounted to about $5,000,000. With the issue of the Panama bonds, the National bank notes, probably, will take the lead in future increases.

THE TREASURY REVENUES continue to hold their own, and it is believed that the surplus of $14,000,000 for the fiscal year estimated by Secretary SHAW will be realized if not exceeded. The Secretary estimated there would be a drop in customs revenue of $30,000,000, but it is highly probable that it will not be two-thirds of that sum. This is encouraging in view of certain unexpected increases in expenditures that have arisen since the estimate was made, such as the increase in pensions and the appropriation for the St. Louis Exposition.

The activity of business is something that tends to make all estimates somewhat uncertain, but Secretary SHAW's forecast seems to

be in process of being substantially verified by the actual results of the year. In fact, the time yet to elapse before the close of the fiscal year is likely to show still greater increase in the revenues than has yet been shown; at least there will probably be no falling off.

It is extremely difficult to make forecasts of the revenue in this country. Reduction in taxation has very seldom been followed by the anticipated falling off in receipts. The removal of taxes acts, to a certain extent, as a stimulus to business, and the increase in business brings greater returns from the taxes that still remain operative. It is only in those countries where, in order to meet the demands of the Government, taxation has to be pressed to the utmost limit of endurance, that the falling off of revenue in proportion to the reduction of taxation can be calculated in advance with tolerable certainty.

The verification of Secretary SHAW's estimate of a surplus of fourteen millions for the current fiscal year will be due as much to what he did not foresee as to what he did. If it had not been for unexpected expenditures, such as the increase of pensions and the appropriation for the St. Louis Exposition, the surplus would have been much larger. It is a satisfactory reflection that, compared with other countries, National taxation in the United States is borne with such elasticity. It is the margin of untouched possibilities for raising revenues which accounts for the superior credit of our Government.

THE LEWIS BILL, permitting National banks to make real estate loans, has been favorably reported by the Banking and Currency Committee. It provides for loans by National banks on notes, bonds and other evidences of debt, secured by mortgages or other instruments of security, on unencumbered real estate situated within the State, Territory or district where the bank is located, worth, exclusive of buildings, on conservative market valuation, double the amount of the loan thereon. The limit of real estate loans is fixed at twenty-five per cent. of a bank's capital.

If this amendment to the powers of National banks should become a law, it will place these banks more on an equality with the State and private banks in their localities which have the privilege of loaning on real estate security. These competitors of the National banks will, however, still have the advantage, as many of them are not restricted by any limit placed either on the amount they shall loan on any given piece of real estate or on the proportion of their capital they may employ in the real estate business, other than by their own judgment.

The measure may prove of some advantage to National banks in enabling them to obtain further security, when personal security in

any given case weakens, sooner than they could before. As it is now, they can take real estate security to save loss on a pre-existing debt, but there is often doubt at what point the actual danger of loss is determined. Where good real estate is offered there can be no doubt as to its security, though realization may not always be had as readily as the bank may desire. But the holders of this class of real estate never have, and never will have, any difficulty in obtaining loans upon it from State and private banks or from Savings banks, trust companies or individuals.

Whether the National banks are not exposed to a new danger by such legislation as this, is a question. In some localities they will undoubtedly have to resist the forcing on them of undesirable and over-valued real estate. In the minds of the public the National banks are often regarded as creatures of the Government, put in operation to benefit needy citizens. There is danger that such legislation may be popularly regarded as a command to the National banks to loan to citizens on real estate which no one else would accept as security. Of course, this is foolish; but when it is found that National banks are even more careful, as they must be, under this law than State banks now are in regard to real estate loans, it will not add to their popularity, if that is worth anything to them.

The advantages of this measure to the National banks are largely offset by the disadvantages.

THE RELATIONS OF LABOR AND CAPITAL have been discussed in a number of papers appearing in the MAGAZINE for several months past. Despite the tendency of some of the authors of these papers to take an exaggerated view of existing difficulties between employers and employees, the trend of the discussion has been, upon the whole, remarkably free from prejudice and vituperation.

That injustice and oppression have prevailed, to some extent, on both sides is evident to anyone who has carefully observed the industrial situation of the country. If the labor unions have been guilty of tyranny and violence, some of the great corporations are not blameless. That the acts of the labor unions, so much complained of, have been entirely without provocation, is an unreasonable supposition. But there is a better way to remedy controversies of this kind than by resorting to violence. It is to be found in an aroused and educated public opinion that will compel the enforcement of law in such a manner as to preserve an equitable balance in the relations of capital and labor. The only real danger lies in the subserviency of those charged with making and enforcing the laws. If the timid politican can be made to understand that there are interests paramount

to the powers of either great masses of money or "the labor vote," the public welfare will be assured.

The paper presented in this number, by Prof. JOHN BURTON PHILLIPS, fully recognizes that this is by no means a one-sided question. Intelligent discussion, proceeding upon this basis, is bound to have a good influence in correcting whatever inequalities may exist.

THE SUBSIDIARY SILVER, now limited by law to $100,000,000, is believed by many to be insufficient to meet the requirements of the country's retail business. The Secretary of the Treasury, in his last annual report, recommended to Congress that authority be given to add to the subsidiary silver coinage as the public demand may seem to warrant, and to use as bullion for this purpose the silver dollars in the Treasury owned by the Government. The Treasury still has on hand some $5,000,000 of silver bullion purchased under the Act of 1890.

The public demand for subsidiary silver is capable of being very much increased by the withdrawal from circulation of silver certificates and legal-tender notes of denominations less than five dollars. The subsidiary silver coinage is maintained at par by being redeemable in gold when presented in sums of twenty dollars. In this respect it enjoys a credit superior to that of the silver dollars and silver certificates, which are not directly so redeemable. The Secretary's recommendations have been acted upon in the House, as they are fully embodied in the bill reported from the Banking and Currency Committee. This bill contains other provisions relating to the currency. In the Senate an amendment was reported to the sundry civil appropriation bill, which simply removes the limit now restricting the subsidiary silver coirage to $100,000,000. Inasmuch as the coinage law of 1873 provides that when it is necessary to add to the subsidiary silver coinage silver bullion shall be purchased, the removal of the limit would, after bullion on hand is exhausted, force the Treasury to begin silver purchases. As before remarked, no one can tell to what extent they might be carried, if the Treasury should again be administered by an executive favorable to silver. The plan of Secretary SHAW contemplated the use of such silver dollars as might gradually come into the possession of the United States as bul lion. In time a large part of the silver dollars might be so used.

The mere removal of the $100,000,000 limit on subsidiary silver would open the door for the purchase of an unknown quantity of new silver bullion. It is conceivable that through this entrance the country might again be threatened with the same danger from which it narrowly escaped by the repeal of the silver-purchase act in 1893.

The alleged crime of 1873 consisted in the demonetization of the silver dollar without debate in a surreptitious manner. It has again and again been proved that the mint act of 1873 abolishing the coinage of the silver dollar was fully debated in both Houses of Congress. To restore the purchase of silver by means of a clause inserted at the last moment in an appropriation bill would expose its authors justly to all the obloquy that was attempted to be unjustly cast upon the men who enacted the mint law of 1873. It is to be hoped that the people who favor the maintenance of a sound financial standard will not permit this attempt to destroy the foundations of the present system to succeed. The country might as well be flooded with silver dollars as to have the same experiment made with half-dollars. An excess of subsidiary silver coins would in fact be a greater strain on the gold reserve than an excess of silver dollars, because they are redeemable in gold and could be used as readily as legal-tender notes to deplete the gold reserves. No doubt there has been an increasing demand for subsidiary silver coinage, not only on account of the growth of the country at home, but also from the growing demand for it in the foreign possessions now belonging to or protected by the United States. If this demand is taken advantage of in the manner suggested by the Secretary of the Treasury, it will strengthen the financial system of the country by disposing of the superfluous silver dollars; but if it is to be made a pretext for again reopening the troublesome and dangerous silver question, it will prove a source of serious danger. The banks of the country should not be indifferent to this move towards the reopening of the silver question. They should exert all their influence against it, by appealing to their members of Congress. Though the Senate amendment referred to failed to pass at the recent session of Congress, similar proposals are likely to be made in the future.

THE EXPORT OF GOLD is something that would naturally be expected, in view of the payments to France for the rights of the French Panama Canal Company. The calling in from the depositary banks of the public moneys to be used in this payment accumulated large sums with the New York banks and lowered the rates in that central market. If there were no other reason, this would lead to an outflow to the foreign markets where rates were better. This tendency created a condition favorable to placing funds abroad against which exchange could be drawn to meet the Panama payment. Unless our bankers can borrow in foreign markets, or have already amounts due them there, the only way in which funds can be transferred is by sending gold. Borrowing only delays the final settle-

ment, which may be more conveniently made in the future by possible exports of products of this country, and if the balance of trade should be against us, by a future export of gold.

The method of making the remittance in a way which will have the least unfavorable effect on the home money markets has been a problem for the bankers and financiers. The conditions in the United States are to-day much more favorable to sending out gold without serious difficulty than they ever were before. The stock of gold in the Treasury, in the banks, and in the hands of the people, is large. The annual production of gold by our mines is greater than ever. At the same time, the country is evidently furnishing large quantities of supplies of various kinds to the combatants in the East, especially it would seem to Japan. Japanese gold is coming freely into San Francisco, where it is recoined. The operations of the San Francisco mint during the last two months have been exceptionally large. As gold has been exported from New York, it has been resupplied from San Francisco. The gold for export is drawn from the banks, and the banks supply themselves from the Treasury, the latter making good its stock from that sent into the mints and assay offices.

It would not, however, be disadvantageous to have it brought forcibly to the minds of the people of the United States that such transactions as the purchase on a cash basis of property to the extent of $40,000,000, which property cannot be made available for years to come, is considerable of a strain on the finances of any country, even on those of one so rich as the United States.

If the payment through the ingenuity of our financiers taking advantage of fortunate circumstances shall be made without visible effect on our money markets, it might too much encourage a confidence in the powers of the United States Treasury, that is perhaps already too great. It will probably be better if this payment should have some effect on the markets, at least enough to show that the transmission of such large sums is not lightly to be undertaken—outside of regular business lines. It is hardly conceivable that circumstances of trade will prove so favorable as to prevent some pressure from being felt before the whole payment is made to the French company. While the export of gold may be stopped by a change in the exchange market, it is impossible to say how long this might continue.

It is evident that the business of international banking has arrived at such a development that the bankers of the different countries stand together whenever possible to prevent serious inconvenience arising in any one market, from the transmission of gold for international settlement. In making the payment to the French company the transmission of the gold, or so much of the forty millions as cannot be settled by the trade balance, will probably be made in compar-

atively small amounts, distributed over considerable time, the time necessary being obtained by temporary loans as the markets involved are favorable. Though in all probability the payment will be thus made with little or no strain on our home markets, nevertheless if some shock should be felt, the effect might not prove altogether unwholesome.

THE ADDRESS OF COMPTROLLER RIDGELY at the eighth annual meeting of the American Academy of Political and Social Science, recently held in Philadelphia, was on the subject of Government Control of Banks and Trust Companies. The Comptroller emphasized the advantage of Government supervision as shown by the reduced per cent. of failures of National banks as compared with the failures of banks of all other classes during the period between 1863 and 1896. Whether all of the superiority in this respect is due to the system of examinations and reports carried into effect by the Government, after the banks have commenced business, or whether part, and perhaps the greater part, is not due to the care taken to insure the actual payment of capital before a National bank is allowed to commence business, may be a question.

If the State banks, trust companies and private banks and all financial institutions that come into this comparison with the National banks, were as carefully supervised as to the capital with which they commence business, there is reason to believe that, even without subsequent examinations, the comparison would be more favorable to the banks outside of the National system. When the organizers of a bank or trust company put their actual capital into it they are more apt to insist upon careful management. But be this as it may, it does not detract from the general advantage of some Government control of all institutions of a financial nature that invite public confidence and depend for their prosperity on the wise management of the money of the public entrusted to them. The only important question is to what extent Government control should be exercised. It certainly should not be pushed to an extent that interferes with a free growth of the banking business. That under certain conditions this may be done may be inferred from the further fact to which attention is drawn by the Comptroller, that notwithstanding the greater apparent safety of the National banks, and the greater immunity from loss by their failures when failures occur, the proportion of banking capital invested in National banks and the proportion of deposits held by them have steadily decreased since 1882. This is as much as to say that both as stockholders and as depositors the public seem to prefer, notwithstanding that there seems to be a somewhat greater risk of loss, the banks which are the more independent of Government control.

As to stockholders, this is not so remarkable, but it is certainly paradoxical that depositors should prefer banks where experience, or at least statistics, prove their money to be somewhat less safe. It may be taken as indicating that in public estimation there is no ground for giving preference to the National banks on the score of their alleged superiority in the matter of public supervision.

Greater freedom of management when business conditions are so subject to change as they are in the United States undoubtedly tends to greater profits. The stockholders thus obtain greater dividends and the management is able to attract greater lines of deposits by offering larger interest. The rigid methods of Government control to which the National banks have been subjected have tended to crystallize the forms of their business, and they shape themselves less easily to the changes in the form of banking facilities demanded by the public. It seems certain that the Government control of National banks, exercised not only when they commence business, but also during the whole period they continue in business, handicaps them to a certain extent in competition with institutions that are under less rigid restrictions.

While the general proposition, that the public is protected by Government supervision, is true, yet those who marshall the statistics and speak most enthusiastically in its favor are the Government officials to whom the work is entrusted. There is very little of this enthusiasm in its favor among bankers themselves. National bankers sometimes argue for Government supervision, but probably the larger portion of these are not very much in love with it. As long as they are obliged to submit to examinations and have to make reports, they would doubtless be pleased could the same system be extended to all other banks that are their competitors.

It will be noticed that whenever Government control of existing banks is adopted, there at once spring up outside of the institutions so controlled a new class of banks which are not reached by it. Soon after the establishment of the National banking system, after the United States taxed out of existence the circulating notes of the State banks then in operation, most all of these State institutions entered the National system, and there were but very few State banks doing business as such. But new State banks began to be organized and their number has increased with great rapidity until they rival the National banks in number and importance.

The State banks in those States where the laws require Government control, although not usually so strictly watched as the National banks, soon began to meet competition from banking institutions which masqueraded as Savings banks or trust companies, or which simply did business as private banks. The Government supervision,

compelling attention at all times to requirements which tend to diminish the power of seizing opportunities for profit, affords a margin which is seized upon by competitors who work outside of such control.

It is difficult to see how the only effectual remedy for this discriminating effect of Government supervision can be applied in the United States. The States cannot apparently be brought into line so as to secure uniform legislation insuring the universal supervision of State banks. Even if they could be induced to adopt uniform laws of this kind, independent bankers, operating under various guises which exempted them from Government control, would start up and continue to place the examined banks at a disadvantage.

The genius of our American institutions calls for the utmost freedom in all forms of business, including banking. The history of banking in the United States shows how all forms of special charters have gone down before the popular demand for the right of anyone who has capital or talent to enter the banking business. It would seem almost impossible to-day to secure laws which will fix a character of uniformity on all institutions doing a banking business, and subject them all alike to Government control. And yet this appears to be the only way in which all banks could be placed on an equal competitive footing.

THE POLITICAL CAMPAIGN into which the country is shortly to be plunged presents in its preliminary aspects some peculiar phases. In 1900 Mr. BRYAN, the Democratic candidate for President, thundered vociferously against the trusts, with "the money power" and "imperialism" as subsidiary objects of his wrath. But in attacking the trusts, President ROOSEVELT has appropriated one of Mr. BRYAN'S most important stage properties, and the decision of the United States Supreme Court in the Northern Securities case indicates a cleavage on political lines, the Democratic members of the court favoring the combination. The doctrine of States rights, as applied to the control of trusts, is also advocated in the New York Democratic platform, and it is charged by the Republicans that Judge PARKER, the prospective Democratic candidate, is acceptable to the trust magnates.

If the so-called conservative element in the Democratic party should prevail at St. Louis, and President ROOSEVELT keeps hammering away at the trusts, the supposed attitude of the two parties bids fair to be reversed.

With the money issue and the tariff disposed of for the time being, about the only difference between the parties is as to which one shall get the offices. This being true, whichever party wins there is not likely to be any serious disturbance of the business of the country.

NATIONAL BANK CIRCULATION.

HISTORY OF THE THREE-MILLION DOLLAR LIMIT ON MONTHLY RETIREMENT OF NOTES.

The provision forbidding the National banks from depositing over $3,000,000 of lawful money for the withdrawal of their circulating notes in any one month was inserted in the Act of July 12, 1882, which had for its chief object the extension of the charters of the National banking associations. The most prominent person in securing the insertion of this provision was Senator Beck, of Kentucky. The Democrats had control of the House of Representatives all through the Administration of President Hayes, and many attacks were made upon the National banking system, which for several years had been an object of political dislike.

This restriction on free retirement of circulation had for its immediate excuse the fact that some 141 banks had in 1881 deposited nearly nineteen millions of legal-tender notes for the purpose of retiring an equal amount of circulation, in order to get control of the bonds held in trust by the United States Treasurer to secure that circulation. This retirement was made in less than a month, and the enemies of the National banks declared that the banks had entered into a conspiracy to contract the currency in order to obtain greater profits through the consequent scarcity of money.

Prior to 1874 the banks could recover their bonds only by gathering up and returning to the Treasurer the circulating notes issued thereon. The notes being scattered in all parts of the country, it was a very difficult operation for a bank desiring to recover its bonds to get this circulation together for return to the Treasury. They often had to pay a premium on their notes to have them brought in. The Act of June 20, 1874, was enacted to give greater freedom of movement to the bank currency. This act established a redemption bureau in the Treasury, and allowed any bank wishing to retire its notes and get its bonds to deposit with the Treasurer lawful money equal to the bank notes outstanding. The bank thus relieved itself from responsibility for its notes, and the Treasury having the lawful money undertook to redeem them when presented. This act worked well, and not only enabled the banks to withdraw their bonds, but greatly facilitated the refunding operations of the Government. The opponents of the National banks always pretended to believe that the banks were enabled, by the freedom of retiring their notes given by this act, to combine to expand and contract the currency and thus affect prices favorably for speculators, while they secured higher interest rates for themselves. These opponents of the National banking system received support from James Gilfillan, then Treasurer of the United States, who in his report for 1880 had criticised the operation of the Act of June 20, 1874, and recommended its repeal. He gave support to many of the campaign stories which were circulated as to conspiracies among the National banks to contract the currency, by arguing before the Finance Committee

of the Senate that it was possible, and even probable, that the banks might retire all their circulation in one day by preconcerted action. They could do this, he said, very easily under the Act of 1874 by the deposit of legal-tender notes, and if this act were repealed they could still accomplish the same thing, but with more difficulty, by gathering up their own notes. Senator Morrill, at that time chairman of the Finance Committee, then asked Mr. Gilfillan, "If there is any sort of danger or apprehension in any quarter that they (the banks) will ever do that for the simple purpose of contracting the currency." Mr. Gilfillan did not squarely answer this, but evaded by saying practically that if they did it would be detrimental to public interests.

The Treasurer's report attacking the Act of June 20, 1874, was dated 1880, and went to Congress in December of that year. At that session a bill was introduced entitled "An Act to Facilitate the Refunding of the Public Debt." It provided for bonds running not less than five nor more than ten years, bearing three per cent. interest, in which other outstanding bonds were to be funded. John Sherman, then Secretary of the Treasury, told the Finance Committee of the Senate that United States bonds already in the market realized more than three per cent. to the investor; that no nation at that time had ever been able to market three per cent. bonds at par, and that he did not believe the bonds provided in the bill could be negotiated for par, as the bill provided. He produced tables to prove his assertions. The act further provided that these proposed three per cents should, after the first day of May, 1881, be the only bonds receivable from National banks as security for circulation or public moneys, thus compelling the banks to take the bonds at par, whether they were worth par or not.

But these bonds might be called for redemption after five years, and the act contained a further provision that when the Secretary called the bonds for redemption and declared that interest on them had ceased, the bank holding them must surrender the bonds within thirty day after the cessation of interest or be placed in the hands of a Receiver. To surrender the bonds as required, after having been first compelled to take them, a bank must either substitute other bonds for them or retire its circulation. There would have been no difficulty in retiring circulation if the Act of June 20, 1874, allowing the deposit of lawful money had been left as it stood; but as if to drive the banks into a corner, the act further repealed this privilege of depositing lawful money and left to the banks only the slow process of gathering up their notes. Experience had shown that no bank could do this within thirty days, and the bank compelled to take three per cents might after five years find it impossible to avoid being placed in the hands of a Receiver, unless it could procure other bonds to put in place of the three per cents, or could gather up its circulation within the period of thirty days.

The fact is that if the bill had become a law it would have driven the National banks out of the circulation business. The danger of taking three per cent. bonds was too great. The banks justly feared the passage of the bill; they did not know whether it would be vetoed or not. The bonds they held commanded a premium. The banks foresaw that if this measure became law, the circulation feature of the system was doomed, and that the bonds held by all the banks would within a year or two be thrown on the market. Before the bill became a law they could still deposit legal-tender notes and get their bonds. There was no collusion; there was no need of any. Each

bank could see for itself that its best policy was to get its bonds out and sell them as soon as possible. The rush to deposit legal-tender notes would have been still greater if it had not been believed by many banks that President Hayes would veto the bill. Therefore, in the very short period that intervened between the time the provisions of the bill became public and its veto by the President, nearly $19,000,000 in lawful money was placed with the Treasurer for the retirement of circulation.

This action of the banks, to which they were absolutely driven by the danger of the situation, raised an outcry among their opponents. It was called a deliberate conspiracy, and held to confirm all the campaign assertions of the dire and malign influence of the banks in contracting currency to oppress the honest producer. The bill was vetoed by the President, and a large part of the bonds were returned to the Treasury and circulation again taken out. But all through the summer and fall of 1881 the air resounded with the awful accounts of the action of the banks in retiring this $19,000,000 of circulation. When Congress met again, and the bill for the recharter of the banks was taken up, Senator Beck inserted the provision that the aggregate deposit of lawful money for the retirement of National bank circulation in any one month should not exceed $3,000,000. This, he thought, would scotch the monster that could subject the public to such frightful contractions of the currency.

The retirement of $19,000,000 was no such terrible matter after all, but it was the only instance of anything of the kind happening during the long history of the National banks. Of course, since 1882, they have been prevented from retiring over three millions of dollars per month by the deposit of legal-tender notes, but they could to-day, if there were any real foundation for the fears similar to those affected by Mr. Gilfillan and others in 1881, combine and retire all their currency within a few days. No one could ever give any intelligent reason why they should pursue such a course, which could only injure them.

The $3,000,000 per month limit was a ridiculous remedy for an alleged evil having no real existence. The only wonder is that it has remained so long on the statute book, crippling as it does the free ebb and flow of the National bank currency.

A Defense of Holding Companies.—The system of the security-holding company permits far sighted men, for instance, who are willing to postpone present dividends to future wealth, to study the needs of a growing community, and to promote its growth by building traction lines in advance of the public demand instead of waiting for such a demand to become imperative. It enables the managers of a great trunk line to put an end to transfers of passengers at State boundaries and local terminals, and to run the palatial trains across the continent upon harmoniously adjusted schedules which, far from being "in restraint of trade," have done more to promote it than all the laws for preventing combination or all the suits begun in pursuance thereof. The system of the holding company undoubtedly increases the power of the big financiers, but it enables them in many cases to go forward with far-sighted plans for meeting the certain expansion of local traffic in our imperial city, or of international traffic between the grainfields of Minnesota and the markets of Asia, which would be difficult or impossible under the old system of petty competing organizations governed by the restricted vision of some neighborhood magnate.—"*Wall Street and the Country,*" *by Charles A. Conant, in* "*Atlantic Monthly.*"

TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.*

FUNCTIONS OF TRUST COMPANIES.—*Continued.*

INSOLVENCY BUSINESS.

Under the head of insolvency business are included the duties of assignee, trustee in bankruptcy and receiver. Trust companies are, in many States, authorized to act in these capacities.

The enactment of the last National Bankruptcy Law in 1898 largely suspended the operation of the State insolvent laws, with the result that assignments have become less frequent than formerly. The duties of an assignee and of a trustee in bankruptcy are similar, and consist in securing a just distribution of the assets of an insolvent person, firm or corporation among the creditors. For this purpose the trust company assuming such duties takes charge of the property of whatever kind, if necessary converts it into cash, pays preferred claims, and distributes the remainder *pro rata* among the creditors, acting all the time under the direction and authority of the court having jurisdiction in the case.

The duties of a receiver may be of quite a different character. A receiver is a person or corporation appointed by a court of equity to take charge of property in dispute. Such appointment does not necessarily imply insolvency. It may be made necessary on account of dissatisfaction on the part of stockholders with the management of the company, on account of any dispute which the partners of a firm or the stockholders of a corporation cannot settle between them, on account of a serious tangle or temporary embarrassment in the affairs of the concern, as well as on account of actual insolvency. It frequently happens that the affairs of concerns become temporarily embarrassed, or that there is such friction between the managers that it becomes necessary to have a receiver to adjust matters. For such duties, as well as for those of assignee or trustee, the trust company is specially fitted, and this class of work has been the field of some of the most successful operations of these companies. The duties require experience, good credit and large financial responsibility. Acting under the authority of the court the receiver is often required for the time being to carry on a mercantile, manufacturing or transportation business. The receivership may be cancelled if the enterprise is put upon a satisfactory basis, and the property be handed over again to its owners. Or it may be necessary to effect a sale of the property, settle the debts, and pay the balance to the owners. Sometimes, when the circumstances warrant, large advances of money are made, thereby tiding the concern over its difficulties and re-establishing it as a profitable enterprise, or saving the assets for creditors or stockholders. Often the circumstances make advisable a readjustment of corporate indebtedness, and the trust company is peculiarly

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adapted to the work of formulating plans, recalling outstanding stocks or bonds and issuing new securities.

Sundry Business as Trustee or Agent for Corporations.

It is not too much to say that the affairs of the great corporations of the present day, as well as those of the smaller ones under existing conditions, could be carried on only with the greatest difficulty, if at all, without the aid of some such financial concerns as the trust companies.

Probably the most common function of this kind is that of acting as trustee under a trust deed or mortgage securing an issue of bonds. In such capacity the company examines the proceedings of the company which is to issue the bonds, to see that all acts and papers connected therewith are legal and such as to make good the lien of the bondholders. In signing the trustee's certificate on the bonds, it certifies to the regularity of the issue, and to the genuineness of the document. When necessary it sees to the refiling of the instrument, although the mortgage often specifically relieves the trustee of this responsibility. It does not guarantee the value or the payment of the bond, although the public often seems to think that it does. As a matter of fact, while the form of certification varies somewhat, it never covers more than the regularity of the issue and the genuineness of the document. Most trust companies do, however, make it a point not to authenticate bonds without having reason to believe that the undertaking represented is presumably safe. Unquestionably the best companies do, and ought to, exercise the greatest care in this matter.

In its capacity of trustee under a trust deed, the trust company is charged with the duty of acting as agent and protector of the bondholders. In case of default of the company issuing the bonds, it usually has the duty of foreclosing on the property in the interests of the holders of the securities, and of exercising numerous incidental duties connected therewith.

It is often charged with the custody and management of a sinking fund, either in connection with its duties as trustee under a trust deed, or as a separate undertaking.

It acts as fiscal or financial agent for corporations of all kinds—States, municipalities, railroads, industrial concerns. It pays bonds, coupons, interest. It may take entire charge of the disbursement of dividends and interest, attending to the publication and mailing of notices, etc.

For syndicate managers, voting trusts, etc., it issues and collects calls for installment payments, and computes and distributes to the proper parties the amounts of their participations in the profits or proceeds.

It acts as depository of cash and securities, under varying conditions. Underwriting syndicates appoint it depository and trustee.

It is made agent to receive subscriptions to stocks and bonds, and to deliver the same when issued.

It may receive and execute for corporations any of the trusts that have already been mentioned as undertaken for individuals under private agreement.

Business as Transfer Agent and Registrar.

Trust companies are very generally used as transfer agent for stocks, and as registrar for stocks and bonds. In the older financial communities the

value of such services has come to be so generally recognized that securities not registered by a responsible agent are looked upon with suspicion. The historical reason usually given for the adoption of the custom of having a registrar not connected with the concern issuing the stock, was the discovery some years ago in New York that a prominent railroad president had fraudulently overissued the stock of his company many hundreds of shares. The employment of a responsible registrar makes such a fraud impossible, for the essential function of the registrar is to see that not more than the authorized amount of stock is issued.

The transfer agent assumes the entire work of transferring the stock of a corporation—a duty requiring thorough knowledge of the laws governing such matters, and great care and accuracy in the performance of the details. The cancellation of a single certificate of stock and the issuance of a new certificate often involve the change in ownership of thousands of dollars' worth of property; yet it may be done by a few strokes of the pen.

It is often desirable to register bonds, either as to principal or as to interest, or both. Usually the trust company that acts as trustee under the bond issue also acts as registrar of the bonds.

In some communities the same company is often appointed both transfer agent and registrar of the same stock. This is illogical, since the function of the registrar is to operate as a check upon any error or irregularity on the part of the transfer agent.

Corporation Reorganization and Financing.

Some trust companies handle a large amount of business in the reorganization or financing of corporate enterprises of different kinds. This field is one concerning which a wide difference of opinion exists among managers of trust companies as well as among the general public. There are companies which devote themselves to this business very largely, while others abstain from it absolutely, believing it not a proper field for companies which handle funds in trust.

In the consideration of the problem much depends upon the character of the financing that is undertaken. No well-informed person will deny that there is a field for services in this line whose legitimacy is beyond question, and whose performance involves no risk. It is likewise evident that there is a class of operations so risky that no corporation which handles the funds of others ought to undertake them. The temptation to step from the one class of operations into the other is sometimes great; and this fact doubtless accounts for the prejudice that exists in some quarters against trust companies undertaking corporation financing of any kind.

When it becomes necessary for any reason to reorganize a corporation having outstanding securities, the trust company offers exceptional facilities for the work. The plan of reorganization must first be determined. If new securities are to be issued the old ones must be called in and temporary receipts given. When the new securities are ready they must be distributed among the receipt-holders in the proper proportions—the determination of which may require careful computation. At the same time an assessment may have to be collected, or a cash or stock dividend be distributed. Fractional shares or bonds may need to be purchased or sold.

When a new corporate enterprise is proposed in any community some one

in whom the public has confidence must investigate and report, or else each prospective investor must make investigation for himself. Some one must see that the new corporation actually owns the property which it claims to have; that its title is good; that the securities which it offers to the public are correctly prepared, and that they give the purchaser a real lien upon the property; in short, that the whole proposition is legitimate and made in good faith. The services here outlined appear to be perfectly legitimate, and to involve no risk to the trust company undertaking them other than the risk assumed in accepting any responsible trust.

These services, however, constitute only the preliminary steps in the financing of enterprises. The securities are ready for sale; they must now be sold. It is at this point that the most serious differences of opinion arise regarding the attitude of the trust company. In placing the securities upon the market, the trust company may act, if it acts at all, as a mere agent for the sale and delivery of same; or it may set the stamp of its approval upon them to the extent of recommending them for purchase to its group of customers, or to the extent of purchasing same, in its capacity of trustee, for some of its trust accounts; or it may purchase a portion of the issue for its own account. Here the trust company is clearly treading upon ground which may or may not be dangerous, according to circumstances, but which in any event requires the highest degree of honor and integrity and business judgment of the finest type.

Fidelity Insurance and Title Insurance.

Some of the States empower trust companies to undertake the business of fidelity insurance and of title insurance, but comparatively few trust companies undertake these duties. As a rule, where they do undertake them, they make such work a specialty, and confine themselves mainly to the specialty. The larger part of fidelity insurance business is done by independent bond or surety companies.

Fidelity insurance consists in becoming surety for or guaranteeing the honesty and fidelity of employees, officers and other persons holding positions of trust and responsibility. Bonds for this purpose were formerly signed by friends of the person holding such position, but the practice is rapidly growing of having such bonds executed by companies who make it their business. Beyond any question the new plan is better than the old, whether from the standpoint of the person bonded, the one signing the bond, or the security afforded the beneficiary named in the bond. The person who is required to give bond feels, or ought to feel, a delicacy about asking his friends to go on his bond. If he does ask a friend to do so, that friend must, if he complies with the request, assume for himself and his heirs a responsibility whose degree is not determinable, which may last for a number of years, and which may involve himself and family in ruin. To the beneficiary under the bond, the individual is not satisfactory as a surety, because, among other reasons, his financial ability is not always determinable with accuracy, and it may be ample to-day and nothing to-morrow. On the other hand, the company which makes a business of fidelity insurance receives compensation of a reasonable annual premium for its services, assumes the risk as a business proposition on the same general principles as the life or fire insurance company, and protects the beneficiary by a capital and financial responsibility that is

known. Fidelity insurance companies are often called upon to sign bonds guaranteeing the financial responsibility of individuals, partnerships and corporations.

A title insurance policy is "an agreement under which the company agrees to defend, at its own expense, all litigation directed against the title insured by it, and if attacked successfully, it will pay the parties guaranteed the amount of the loss up to the full sum insured for." In short, it is an ordinary abstract of title, with insurance of the title added. This is a comparatively new business, the oldest companies having existed only about twenty years, but it is one which is growing rapidly. For its successful performance, a special and elaborate equipment is necessary.

Safe-Deposit Business.

As already noted, trust companies very generally conduct safe-deposit departments. For this purpose the best companies have specially-constructed vaults in the preparation of which the greatest care is used to insure that they shall be absolutely proof against fire, burglars, mobs and water. In addition guards are on duty twenty-four hours a day, and there are usually automatic alarms to give notice of any trouble. For the keeping of money and valuable papers individual boxes within the main vault are rented, access to which may be had only by the renter or his authorized deputy in company with the vault attendant. For the storage of larger articles of value, vaults are provided in which space is rented by the cubic foot or yard. Many companies maintain delivery wagons, and call for or deliver valuables entrusted to their care. Coupon rooms are provided, where each customer may cut his coupons or examine his papers in absolute privacy. The large companies also provide other conveniences, such as toilet-rooms, reading-rooms, parlors, committee-rooms, etc.

This department is a valuable, if not a necessary part of the equipment of a good trust company. An increasing number of depositors feel the need of such accommodations, and much prefer to have them under the same roof as their bank or trust company. While the expense of equipping the best vaults is great, it is not all chargeable to the safe-deposit department, since trust companies need large and impregnable vaults for the safe-keeping of the securities and other valuables entrusted to them in the other departments of their business.

Superiority of Trust Companies over Individuals Acting in Trust Capacities.

The advantages which the trust company has over individuals for the performance of the various trust duties outlined in the preceding pages are many. The following are among the most conspicuous of these advantages:

The life of the trust company is perpetual—it will live long enough to execute the trusts that are committed to it. On the other hand, an individual to whom a trust is committed may die on the very day that he undertakes the trust. To install another individual trustee will then involve delay and additional expense—perhaps serious loss. And when it is done, there is no guarantee that he will not die, making another change necessary. Even if the individual lives, he may for various reasons resign the trust, or may become incapacitated through sickness or other cause.

The trust company has an established office and can always be found when needed. The individual is sometimes difficult to locate.

The trust company is always at its place of business every business day of the year. It does not take vacations, does not go away on business trips, does not get sick.

The trust company is organized especially for carrying on such work, which is therefore not secondary to its own business, but is a part of its business. If an individual is competent to carry on such work it is because he has had a successful training in looking after his own affairs, and his success is usually due to the fact that he has given his business his undivided attention. If he undertakes the trust it must be as a thing secondary to his own business, or else he must neglect the latter. Finding that he has not the necessary time to look after details, he may turn them over to an incompetent employee.

Being organized for the work, the trust company has all the necessary equipment—officers and clerks trained for the service, conversant with laws and forms and methods of procedure, vaults for the safe-keeping of valuables, correct forms for the keeping of accounts, books to keep track of due-dates of securities and times for the payment of taxes, insurance, premiums, etc. It does not forget.

It is the trust company's business to understand the work. It does not make mistakes due to ignorance, and would be responsible if it did. It has the benefit of a large experience in the work it is undertaking. Very often individual trustees or executors, however honest and faithful, make mistakes that are costly or entirely disastrous.

For the making of investments in the name of the trust, the trust company has advantages which few if any individuals have. The matter is determined by a committee of men trained in such work, and with every facility at their command for keeping in touch with conditions and knowing something of intrinsic values. The extent of the company's operations also enables it to buy on better terms than the individual can.

The trust company gives to the trust, without extra cost in ordinary matters, the benefit of the best legal advice. It unites the advantages of the advice of a number of experieneed counselors with the promptness in action of a competent individual.

The trust company is, in most States, subject to examination by State authorities. Its books are always open to inspection by the proper persons. They are intelligible and kept up to date. The individual trustee under private appointment is not usually subject to examination; and when he is, his books are often in a tangle.

The superior facilities of trust companies often enable them to administer trusts with far greater economy than is possible to the individual trustee. Expenses are often much less, while the company is usually in position to secure a greater income for the trust than could the individual. The latter must give a bond, the cost of which must be borne by the estate; while the trust company's assets and special deposit with the State protect the trust without extra cost.

Frequently the interests of the estate—perhaps its very preservation—depend upon temporary advances of money. The trust company is in position to make such advances, few individuals are.

Individuals are often subject to personal prejudices, sympathies or influences which lead them into unwise uses of the property. The trust company is not subject to these things.

The most important consideration of all is that of safety—the absolute security of the property. Here the advantages offered by the trust company as compared with the individual are unquestioned. Besides the State supervision just referred to, the trust company protects its customers by a large capital and surplus, and in most States by a large deposit made with the State officials to guarantee the faithful performance of its trust duties. These things amply insure against loss due to possible dishonesty on the part of the company's officers or employees. The company as an institution cannot possibly be dishonest or unfaithful. It has nothing to gain and everything to lose by such a course. It is to continue in business for a long term of years or perpetually. Its success depends upon its reputation for integrity and faithfulness. At a recent meeting of the Trust Company Section of the American Bankers' Association, it was stated that there had never been a trust fund impaired by a failure of a trust company having control of the fund. Instances of loss to depositors in the banking department there have been, though not many; but the trust funds are so safeguarded that loss to them is well-nigh impossible. There may be loss to the ordinary creditor of a trust company without in the slightest degree impairing its trust funds, which are kept separate and are not a part of its assets.

On the other hand, losses through individual trustees, executors and administrators have been numerous. How often have the papers told of instances where individuals serving in such capacities have proved unfaithful or fatally incompetent! Men of reputation for unquestioned integrity have been led through speculation or embarrassment in their own affairs to borrow the funds entrusted to them with the full intention of repaying the loan in a few weeks or months, only to find that such restitution is impossible, that they are defaulters, and that the widow and orphan are left penniless through their unfaithfulness. Others, wilfully dishonest, have squandered the funds entrusted to them until every cent was gone and the beneficiaries of the trust left in dire need. Bonds furnished by these men have often proved worthless; and where ultimately found good, great expense of litigation has been incurred, and the property has been tied up for years pending settlement of suits.

CLAY HERRICK.

(*To be continued.*)

SOMETHING ABOUT SAFES.—The United States Fidelity and Guaranty Co., of Baltimore, has issued, through its "Burglary Department," a book giving a detailed description of the prominent makes of safes and vaults, and also showing how the ingenuity of the burglar often brings the skill of the safe-manufacturer to naught. Illustrations are given of many kinds of safes, also of some of them after they have been operated on by burglars or in tests by rival manufacturers.

As is well-known, there is no safe made that affords absolute protection under all conditions, though all are more or less valuable.

The compilation of information made by the United States Fidelity and Guaranty Co. will be found useful to banks desiring to avail themselves of the best safeguards for their funds and securities.

THE LOUISIANA PURCHASE.

In view of the recent opening of the St. Louis Exposition, in celebration of the Louisiana Purchase, it will be interesting to recall the manner in which the purchase of this vast territory was brought about and how it was financed.

The territory included in the purchase was ceded to the United States by Napoleon I, April 30, 1803. According to the construction of the Government of the United States, the territory ceded covered all now included in the States of Louisiana, Arkansas, Missouri, Iowa, Minnesota, Oregon, Nebraska, Kansas, North and South Dakota, Montana, Idaho, Washington and the Indian Territory, parts of Colorado and Wyoming and those parts of Alabama and Mississippi lying south of the thirty-first parallel.

The determination of Napoleon, then First Consul, to sell Louisiana to the United States was taken immediately on his resolve to break the peace of Amiens with England. On March 13, 1803, he had at the reception of the diplomatic body at the Tuileries, violently addressed Lord Whitworth, the English ambassador, making a scene famous in history, and had shown his determination of breaking with Great Britain.

The historian Thiers gives the following account of the reasons for making the concession and sale, and the manner in which it was consummated on the French side. The question was, what, in view of a war with so powerful a maritime power as Great Britain, was to be done with the rich province of Louisiana, lying unprotected at so great a distance?

"There was no reason," writes Thiers, "to be uneasy respecting our other colonies. St. Domingo was full of troops, and the soldiers who were disposed in the colonial depots were hastily put on board transports ready to sail. Guadaloupe, Martinique and the Isle of France were likewise provided with strong garrisons, and immense expeditions would have been required to dispute them with the French. But Louisiana contained not a single soldier. It was an extensive province which four thousand men were not sufficient to occupy in time of war. The inhabitants, though of French origin, had so frequently changed masters during the last century that they were attached to nothing but their independence. The Americans were by no means pleased to see us in possession of the mouths of the Mississippi, their principal outlet to the Gulf of Mexico. They had even applied to France to grant them advantageous conditions of transit in the port of New Orleans. If we were determined to keep Louisiana we might therefore reckon on the greatest efforts on the part of the English against us, on perfect indifference on the part of the inhabitants, and on positive ill-will on the part of the Americans. The latter, in fact, wished to have none but Spanish for neighbors. All the colonial dreams of the First Consul were dispelled at once by the appearance of the warlike message of King George III to Parliament, and his resolution was immediately formed. 'I will not keep,' he said to one of his ministers, 'a possession which would not be safe in our hands, which would perhaps embroil me with the Americans or produce a coldness between us. I will

make use of it, on the contrary, to attach them to me and embroil them with the English and raise up against the latter enemies who will some day avenge us, if we should not succeed in avenging ourselves. My resolution is taken. I will give Louisiana to the United States. But as they have no territory to cede to us in return, I will demand a sum of money towards defraying the expenses of the extraordinary armament I am projecting against Great Britain.' He sent for M. Marbois, Minister of the Treasury, formerly employed in America and for M. Decrès, Minister of Marine, and wished, though decided himself, to hear what they had to say. The First Consul listened to them very attentively, without appearing to be the least touched by the arguments of either; he listened to them, as he often did when he had made up his mind, to satisfy himself that he was not mistaken on any important point of the questions submitted to his judgment. Confirmed rather than shaken in his resolution by what he heard, he directed M. Marbois without losing a moment to send for Mr. Livingston, the American minister, and to enter into negotiation with him about Louisiana. Mr. Monroe had recently arrived in Europe to settle with the English the question of maritime rights and with the French the question respecting transit on the Mississippi. On his arrival in Paris he was met by the unexpected proposal of the French cabinet. He was offered not certain facilities of transit through Louisiana, but the annexation of the country to the United States. Not embarrassed for a moment by the want of powers, he immediately concluded a treaty subject to the ratification of his Government. M. Marbois demanded eighty millions of francs, twenty millions out of that sum being to indemnify American commerce for captures illegally made by the French during the late war, and sixty millions for the French Treasury. The twenty millions were expected to secure us the hearty good will of the merchants of the United States. As for the sixty millions destined for France, it was agreed that the cabinet at Washington should create annuities and that they should be negotiated to Dutch houses at an advantageous rate not far from par. The treaty was therefore concluded on these bases and sent to Washington to be ratified."

The foregoing is the account given by Thiers. It is, however, seen that to a certain extent the initiative was taken by the United States, and that although Monroe may have been surprised by the sudden offer of the sale of the whole of Louisiana, he was not by any means unprepared to consider it.

Previously to the retrocession of Louisiana to France by Spain, on October 1, 1800, there had been a good understanding between the United States and Spain as to the navigation of the Mississippi and the use of New Orleans as a free port. This understanding had been reached by treaty on October 27, 1795. The intentions of Bonaparte and France with regard to Louisiana were justly viewed by the United States with distrust. April 18, 1802, President Jefferson wrote to Mr. Livingston, then minister of the United States to France:

"The cession of Louisiana and the Floridas by Spain to France works most sorely upon the United States. It completely reverses all the political relations of the United States and will form a new epoch in our political course. There is on the globe one single spot, the possessor of which is our natural and habitual enemy. It is New Orleans through which the produce of three-eighths of our territory must pass to market. France places herself in that door and assumes to us the attitude of defiance * * * and seals the

union of the two nations who in conjunction can maintain exclusive possession of the ocean. From this moment we must wed ourselves to the British fleet and nation and make the first cannon which shall be fired in Europe the signal for tearing up any settlement she (France) may have made."

It is not beyond the bounds of possibility that Napoleon may have been aware of the contents of Jefferson's letter. At St. Helena he told what means he took of opening dispatches and letters directed to ambassadors and foreign ministers. There was a great ferment in the West, because the Spanish, when they ceded Louisiana back to the French, withdrew the commercial rights previously granted to the United States under the treaty of 1795. In Congress James Ross, Senator from Pennsylvania, introduced a resolution authorizing the President to call out fifty thousand militia and take possession of New Orleans. Instead of this Congress appropriated $2,000,000 for the purchase of New Orleans and the President, January 10, 1803, sent James Monroe as minister extraordinary, with discretionary powers to co-operate with Livingston in the proposed purchase. They were invited by Napoleon to make an offer for the whole of Louisiana.

The outbreak between France and England was an important factor in the successful acquisition of Louisiana. Napoleon saw the situation as clearly as Jefferson, and there seems to have been almost a perfect coincidence in their views of the situation.

There is good authority going to show that the first proposition of the French minister, Marbois, required a payment of 100,000,000 francs and in addition the assumption by the United States of all damages for French spoliations on American commerce. It was the firmness of Monroe and Livingston and the anxiety of the French to get something for a territory they knew to be irrevocably lost in the event of a war with England, already resolved on by Napoleon, that caused the reduction of the amount over one-third. From a demand amounting practically to one hundred and twenty millions of francs the French minister fell to seventy-five millions, twenty of the seventy-five being reserved by the United States to meet the spoliation claims.

It appears at this day that the United States might have come into the possession of the port of New Orleans by the mere logic of events without paying a cent. At all events Napoleon, as he foresaw, was sure to lose it.

Monroe and Livingston then arranged to pay $15,000,000 for Louisiana, of which $11,250,000 was to be paid to France in United States bonds payable in fifteen years and bearing six per cent. interest. The remainder of the $15,000,000, amounting to $3,750,000, was to be reserved to reimburse American citizens for their losses from illegal seizure of ships and cargoes by the French.

The treaty was confirmed by the Senate, but the House had an extended debate over the act to issue the necessary stock in payment according to the terms of the treaty. The act to issue the stock was not approved until November 10, 1803. It provided that for the purpose of carrying into effect the convention of April 30, 1803, the Secretary of the Treasury should issue in favor of the French Republic, or its assignees, certificates of stock for the sum of $11,250,000 bearing an interest of six per cent. per annum from the time at which the possession of Louisiana might be obtained in conformity with the treaty, the certificates to be delivered by the President to the Gov-

ernment of France, or to such persons as should be authorized to receive them, within three months after Louisiana should be taken possession of in the name of the Government of the United States. The faith of the United States was pledged for the payment of the interest and the reimbursement of the principal in conformity with the provisions of the convention with France. This provided that the interest should be payable half-yearly in London, Amsterdam, or Paris, and that the principal should be paid in annual installments of not less than three millions each, the first payment to commence fifteen years after the date of the exchange of ratification. The act provided that the Secretary of the Treasury might consent to discharge the stock in four equal annual installments and also to shorten time of the first payment of principal. The annual interest payable in Europe was to be paid at the rate of four shillings and sixpence sterling for each dollar payable in London, and of two and one-half guilders for each dollar payable in Amsterdam; sufficient money to pay interest for the first year was appropriated by the Act. An annual sum of $100,000 (in addition to the annual sinking fund of $7,300,-000), payable out of duties on merchandise and tonnage, was to continue appropriated until the whole debt of the United States, including the Louisiana stock, was paid. The redemption began in 1812, and was completed in 1823. Much of the stock was purchased for the sinking fund at prices ranging from 96¾ to par.

NOTICES OF NEW BOOKS.

POOR'S READY REFERENCE BOND LIST, edition of January, 1904. New York: H. V. & H. W. Poor.

This is a supplement to the well-known Manual of Railroads, and contains all important facts required by investors, bond experts and others relative to the bonded indebtedness, interest charges, etc., of the leading railroad systems of the United States. The information comprises the following facts in regard to these securities: Name of company and description of bonds; date of issue; date of maturity; amount of bonds outstanding on or about December 1, 1903; annual charge; interest rate—when and where payable; property covered; miles of railroad; amount of bonds outstanding per mile of railroad; names of trustees.

This information is presented in a condensed form, easy for reference, and will be found useful and valuable to investors and bankers.

LECTURES ON COMMERCE; delivered before the College of Commerce and Administration of the University of Chicago; edited by HENRY RAND HATFIELD. Chicago: The University of Chicago Press (12 mo., pp. 379; price, $1.50).

The topics included in these lectures are: Railways, Trade and Industry, Banking and Insurance. There is also an introductory lecture by Prof. J. Laurence Laughlin on "Higher Commercial Education." The lectures on banking include, "The Comptroller of the Currency," by James H. Eckels, former Comptroller, and now President of the Commercial National Bank, Chicago; "The Methods of Banking," also by Mr. Eckels; "Investments," by D. R. Forgan, Vice-President First National Bank, Chicago; "Foreign Exchange," H. K. Brooks, Manager Financial Department American Express Co.

REPUDIATED STATE BONDS.

RECOVERY FROM NORTH CAROLINA BY SOUTH DAKOTA.

The Supreme Court, divided into five Justices for the opinion and four dissenting, handed down, during March, a decision which recalls the whole subject of repudiated State bonds, but which does not, as some newspapers have interpreted it, go the whole length of forming a precedent by means of which all the holders of such bonds can now collect their money. Rather, a close reading of Justice Brewer's opinion in the case of the State of South Dakota vs. the State of North Carolina indicates that the scope of that decision is closely restricted to a limited class of State bonds, and that the analogy by which the newspapers have reasoned that other classes of State bonds can now be collected, is far too loose to be legal. Nevertheless, the decision marks a new and rather long step in constitutional interpretation. It revives a picturesque episode in American history, and it is of profound interest to the holders of all repudiated bonds, which now amount, with the accrued unpaid interest, in the aggregate, as nearly as can be estimated, to about seven hundred million dollars.

Omitting, for the present, any reference to the historic aspect of repudiation, the story of this lawsuit between two States may be taken up at the first step, at least the first step of which the public and the court have cognizance. This consisted in the passage, by the Legislature of South Dakota, in the session of 1901, of an act entitled, "An Act to Require the Acceptance and Collection of Grants, Devises, Bequests, Donations and Assignments to the State of South Dakota."

This act read as follows:

"Be it enacted by the Legislature of South Dakota:

Sec. 1. That whenever any grant, devise, bequest, donation, or gift or assignment of money, bonds, or choses in action, or of any property, real or personal, shall be made to this State, the Governor is hereby directed to receive and accept the same, so that the right and title to the same shall pass to this State; and all such bonds, notes, or choses in action, or the proceeds thereof when collected, and all other property or thing of value, so received by the State as aforesaid, shall be reported by the Governor to the Legislature, to the end that the same may be covered into the public treasury or appropriated to the State University or to the public schools, or to State charities, as may hereafter be directed by law.

Sec. 2. Whenever it shall be necessary to protect or assert the right or title of the State to any property so received or derived as aforesaid, or to collect or to reduce into possession any bond, note, bill, or chose in action, the Attorney-General is directed to take the necessary and proper proceedings and to bring suit in the name of the State in any court of competent jurisdiction, State or Federal, and to prosecute all such suits, and is authorized to employ counsel to be associated with him in such suits or actions, who, with him, shall fully represent the State, and shall be entitled to reasonable compensation out of the recoveries and collections in such suits and actions."

It must have been clear enough at the time that there was something back of this bit of legislation. It is doubtful if a similar act can be found on any

State statute book. States are not commonly made, like schools and hospitals, the beneficiaries of gifts, and few States are prepared with the legislation, like the above, necessary to take advantage of such gifts. This act was clearly anticipatory of the events that followed.

Some months later, a letter addressed to an official of South Dakota, from Simon Schafer, a broker at 35 Wall St., New York, explained quite fully the purpose of the previous legislation. That letter read as follows:

NEW YORK, September 10, 1901.

DEAR SIR: The undersigned, one of the members of the firm of Schafer Bros., has decided, after consultation with the other holders of the second-mortgage bonds issued by the State of North Carolina, to donate ten of these bonds to the State of South Dakota.

The holders of these bonds have waited for some thirty years in the hope that the State of North Carolina would realize the justice of their claims for the payment of these bonds.

The bonds are all now about due, besides, of course, the coupons, which amount to some 170 per cent. of the face of the bond.

The holders of these bonds have been advised that they cannot maintain a suit against the State of North Carolina on these bonds, but that such a suit can be maintained by a foreign State or by one of the United States.

The owners of these bonds are mostly, if not entirely, persons who liberally give charity to the needy, the deserving, and the unfortunate.

These bonds can be used to great advantage by States or foreign governments, and the majority owners would prefer to use them in this way rather than take the trifle which is offered by the debtor.

If your State should succeed in collecting these bonds it would be the inclination of the owners of a majority of the total issue now outstanding to make additional donations to such Governments as may be able to collect from the repudiating State rather than accept the small pittance offered in settlement.

The donors of these ten bonds would be pleased if the Legislature of South Dakota should apply the proceeds of these bonds to the State University or to some of its asylums or other charities. Very respectfully, SIMON SCHAFER.

Every lawyer will be quick to see the point of this letter—perhaps also such laymen as, being owners of repudiated bonds, have become familiar with the constitutional barrier against suing a State. When Mr. Schafer says that South Dakota can sue on these bonds, but that he himself cannot, he has in mind, of course, two clauses in the Constitution of the United States: the first, "the judicial power (of the United States) shall extend * * * to controversies between two or more States"—it is this, of course, that enables South Dakota to sue; and the second, "the judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by citizens of another State"—it is this, of course, that prevented Mr. Schafer from bringing suit himself and rendered him powerless when North Carolina refused to pay.

In accordance with its statute, South Dakota accepted the gift and brought the suit. North Carolina defended and the issue was heard by the Supreme Court in October. That it was a difficult one to decide is indicated by the six months taken for advisement and the dissent of four of the Justices—White, Fuller, McKenna and Day.

Before commenting on Justice Brewer's opinion in favor of South Dakota, some inquiry may be made into the exact nature of the bonds in question, for on this, the writer believes, hangs the misconception into which the newspapers have slipped in discussing the effect of this decision on the whole body of repudiated bonds.

The bonds were issued by North Carolina in 1867 for the purpose of borrowing money to build a railroad. The railroad was built by a private corporation, but the State subscribed for a large block of the stock. To pay for the stock these bonds were issued, and —this is the important point—the stock which the State had subscribed for, and which was in the treasury of the State, was mortgaged to secure these bonds. Each of the bonds in question bore an endorsement, signed by the State Treasurer, which said: "ten shares of the stock in the North Carolina Railroad Company, originally subscribed for by the State, are hereby mortgaged as collateral security for the payment of this bond."

Bearing in mind this fact, that the bonds were secured by a mortgage of specific property of the State, Justice Brewer's opinion may be examined.

The important point in the case was, of course, whether the Supreme Court could take jurisdiction of the suit as a "controversy between two States," and the decision of this obviously depended on whether South Dakota was the *bona fide* owner of the bonds. As to this, Justice Brewer says squarely, among the opening sentences of his opinion, "neither can there be any question respecting the title of South Dakota to these bonds. They are not held by the State as representatives of individual owners, * * * for they were given outright and absolutely to the State."

Yet the Justice was by no means blind to the motive behind the gift. "Probably," he says, "the donor made the gift under a not unreasonable expectation that South Dakota would bring an action against North Carolina to enforce these bonds, and that such action might enure to his benefit as the owner of other like bonds." But he adds "the motive with which a gift is made, whether good or bad, does not affect its validity or the question of jurisdiction." South Dakota's *bona fide* title to the bonds being thus admitted, it was a logical *sequitur* that judgment be given to that State against North Carolina, and this was done in the following language :

> "A decree will, therefore, be entered, which, after finding the amount due on the bonds and coupons in suit to be twenty-seven thousand four hundred dollars ($27,400), (no interest being recoverable), and that the same are secured by 100 shares of the stock of the North Carolina Railroad Company, belonging to the State of North Carolina, shall order that the said State of North Carolina pay said amount with costs of suit to the State of South Dakota on or before the first Monday of January, 1905, and that in default of such payment an order of sale be issued to the marshal of this court, directing him to sell at public auction all the interest of the State of North Carolina in and to one hundred shares of the capital stock of the North Carolina Railroad Company, such sale to be made at the east front door of the Capitol building in this city, public notice to be given of such sale by advertisements once a week for six weeks in some daily paper published in the city of Raleigh, North Carolina, and also in some daily paper published in the city of Washington."

At this point the question may well be considered whether the same decision would have been given had these been the ordinary State bonds, had the feature of a mortgage on specific property been lacking. The writer believes that in such case the decision would have been different. This belief hangs on two propositions:

First: To satisfy a judgment against a State, there must be, available for seizure, some property that may be regarded as private assets, some property other than the State house and the like, because, as the Court says in this case, "the public property held by any State is exempt from seizure because it is held by the State, not as a part of its private assets, but as a trustee for

public purposes." In the present case, there was, in the shape of the mortgaged railroad stock, just that sort of private assets which must be found in order to get an execution against a State. This feature of these North Carolina bonds distinguishes them from a host of other State bonds which rely merely upon the general credit of the State that issued them; and this feature, in the belief of the writer, accounts for the decision favorable to the owner of the bonds in the present case.

The second proposition to support the belief that Justice Brewer's decision would have been different but for the attachment to the bonds of a mortgage on the railroad stock is this: no court will render a judgment against a State which is, in the nature of things, nugatory, which cannot be enforced by execution. In other words, where there are no private assets of a State, upon which to levy execution, the court will decline to give judgment against the State. As Justice Taney says in Gordon vs. United States, "execution is an essential part of judgment, and where it is obvious that execution cannot be had, there the court will decline to render judgment at all."

To sum up, what the present decision stands for is this: when the bonds of a State are secured by a mortgage of specific property in the hands of the State, and when those bonds become the *bona fide* property of another State, the Supreme Court will, in a suit, render judgment against the State that issued the bonds and direct the sale of the mortgaged property. Hence, the holders of repudiated State bonds who desire to see whether they can secure the collection of their bonds by the device which Mr. Schafer adopted, should examine the exact terms of their bonds and see whether they are secured, as these North Carolina bonds are, by a mortgage of specific property in the possession of the State.

The holders of these bonds will be interested in one more question. Would the decision have been the same if the transfer of the bonds to South Dakota had been by sale instead of by gift? In the present case, Mr. Schafer gets nothing out of his bonds. He has only the satisfaction of the angry creditor who says to his lawyer, "collect this claim and keep what you get," South Dakota taking the place of the lawyer. What other holders of repudiated bonds will wish to know, who hope in some way to take advantage of this decision, is whether it is possible to sell their bonds to some speculatively-minded State, who may then collect as South Dakota has. As to this question, it can only be said that there is nothing in the present decision to hint that the court would make any distinction between a sale and a gift. All that seems to be required is that the transfer shall be *bona fide*. The only line that seems to be drawn by the court is between *bona fide* ownership by the State, and ownership that is merely colorable, merely given for the purpose of evading the constitutional barrier against an individual suing a State, ownership in which the former individual owner of the bonds remains the real party in interest.

Such a colorable transfer was the one in the case of New Hampshire vs. Louisiana, heard in the Supreme Court some twenty years ago. That represented the first effort of the individual bondholders, when they found that they themselves could not sue to recover by means of a State. That effort failed because the transfer was not *bona fide*, just as the present effort has succeeded because the transfer was *bona fide*. In the New Hampshire case the State passed a statute entitled, "An act to protect the rights of citizens of this

State holding claims against other States." This act provided that any citizen of New Hampshire who owned a repudiated bond might "assign" it to the State, and should "deposit with the Attorney-General such sum as the said Attorney-General shall deem necessary for the recovery of the money." It was thus clearly stipulated that the owner of the bond, not the State, was to pay the expenses of the suit. To make this thoroughly understood, a later clause of the act said that "nothing in this act shall authorize the expenditure of any money belonging to this State, but the expenses of said proceedings shall be paid by the assignor" of the bond. The act then provided that the Attorney-General should prosecute the suit on the bond and should pay whatever money he might recover, to the assignor, the real owner of the bond.

There could be no doubt whatever that this was a mere device to get around the letter of the constitution. As Chief Justice Waite said, in dismissing the case from the Court: "No one can look at the pleadings and testimony in this case without being satisfied, beyond all doubt, that they were, in legal effect, commenced and prosecuted solely by the owners of the bonds. * * * The State is nothing more nor less than a mere collecting agent for the owners of the bonds."

The loss of this suit in 1882 ended, for the time being, the efforts of the holders of repudiated bonds to make the repudiating States pay back the money they had borrowed. Since then the bonds have been regarded as of little value. They have laid in dusty pigeon-holes, with their big sheets of uncut coupons, regarded as of little worth except as historical curiosities. The investors who own them have long ago exhausted the vocabulary of reproach concerning the immorality of repudiation. The excuses offered by the repudiating States—that the enforced abolition of slavery wiped away the property which might have gone to the payment of these bonds, that the bonds were issued recklessly by the carpet-bag governments of the reconstruction period which did not really represent the people of the State, that there was fraud in the issue of the bonds and that the State never really received the money for them—all these have been matters of history until the present suit.

This decision, even with all the limitations that have been pointed out, makes repudiation once more a live issue. Discount the direct results of the suit as conservatively as you may, and much still remains. Besides, there are very possible indirect results. The Southern States are more prosperous now than they were when they repudiated, and the moral effect of the present decision may suggest to them the desirability of compromise.

As to the total amount of these bonds, it is doubtful if the States themselves could compile accurate figures. Some twenty years ago, about the time of the futile New Hampshire suit, a broker estimated the amounts as follows:

Alabama	$38,812,000	Mississippi	$22,600,000
Arkansas	20,807,000	North Carolina	48,350,000
Florida	5,280,000	South Carolina	19,500,000
Georgia	13,580,000	Tennessee	29,850,000
Louisiana	32,115,000	Virginia	72,220,000
Total			$303,114,000

Since then the accrued interest must have at least doubled the amount. But Virginia has since then compromised with her bondholders on a basis of the percentage of the face value and accrued interest. Minnesota, also, at one time had some millions of bonds which were not acknowledged for some years, but were later compromised on a basis which gave the bondholders about fifty per cent. of the face value of their securities.

MARK SULLIVAN.

THE RELATIONS OF LABOR AND CAPITAL.

[In the opinion of many bankers and others the present relations between labor and capital are a menace to the continued prosperity of the country. Believing that a full discussion of the subject will tend to a right settlement of existing difficulties, THE BANKERS' MAGAZINE has secured a number of special articles from representatives of both sides of the controversy. The first article, published in the November issue of the MAGAZINE, was contributed by David M. Parry, President of the National Association of Manufacturers; also President of the Citizens' Industrial Association of America, recently organized. In the December issue the views of Samuel Gompers, President of the American Federation of Labor, were presented. Ralph M. Easley, Chairman of the Executive Council of the National Civic Federation, contributed a paper to the February number. Charles N. Chadwick, Chairman of the Committee on Labor and Capital, of the Manufacturers' Association of New York, had an article in the April number. John Burton Phillips, Professor of Economics and Sociology, University of Colorado, Boulder, Colo., continues the discussion.]

ORGANIZATION OF EMPLOYERS AND EMPLOYEES.

BY JOHN BURTON PHILLIPS, PROFESSOR OF ECONOMICS AND SOCIOLOGY, UNIVERSITY OF COLORADO, BOULDER, COLO.

The strength of organization is in the fact that in this way the influence of a class may make itself felt. Public opinion is influenced by class feeling. The distribution of wealth among the various classes of the population is in considerable measure fixed according to public opinion. The true philosophy of the organization of the laboring class is that they realize that the wage scale is in part set in this way. Wages are in considerable part the result of public opinion as to the standard of living and the amount of income necessary to maintain the degree of comfort which it is thought desirable should be maintained by the various classes of the population. For example, the salaries of Government officers are in part fixed at a rate that it is thought will enable them to entertain, as this is considered by their constituents a necessity in their positions. There does not appear to be any great necessity for a Government officer to spend large sums in entertaining, but the public think it is necessary and they attempt to fix the salary accordingly. They are dissatisfied if he does not live up to a certain style of life which common consent has fixed upon as proper for such as he.

Just as the public is displeased with the Government officer if he does not spend his income in keeping up a certain style of living, so it may be displeased with the wages that different classes of the population receive. There is a feeling that after a man has spent a certain amount of time and money in the preparation for a line of work he should not be paid less than a certain fixed wage or fee. This is fixed by public opinion at such an amount as is thought to be necessary for him to supply the larger needs that are supposed to have resulted from his superior training. This is clearly seen in the amounts that it is believed are proper for a physician to charge for his services. These fees are not fixed by the law of demand and supply; neither are they fixed by charging what the traffic will bear. They are in all probability

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fixed by the opinion of the public as to how much such a man should be paid. Public opinion is thus a great factor in determining what a fair wage shall be.

While this is true of certain classes of the population, it is the case with but a small number of the entire laboring class. It is therefore to the interest of all classes to make their influence felt to as great an extent as possible in the formation of public opinion. If this can be done they will be able to rely on public sentiment to assist them in determining in the distribution of products what their share shall be. This is the principle of social philosophy that is behind the organization of the wage-earning class. They, least of all classes, have as yet had the assistance of public opinion in fixing the amount of wages they shall receive. They know that organization will further the growth of this class feeling which will make itself felt. When a definite public opinion has settled upon what a wage-worker should receive, the number of strikes will very likely tend to diminish. The workers will then be content to take the wage that the public have determined is fair and just, as is the case with the doctors, or they will go into some other employment where the prospect of higher wages is better.

Movement for the Organization of Employers.

Recent success in the efforts of the unionists in increasing their numbers, and still more in their disturbance of industry by strikes, has led to the formation of organizations of employers in various parts of the United States. These organizations have been formed largely as a means of self-defense, and also in part, perhaps, to convince the public that in many lines of industry the limit of high wages has almost been reached. At least this is the contention of the employers. Experience has also taught the employers that standing alone one employer is hardly equal to the task of keeping up a winning fight against the odds that the unions are able to wage against him. It was seen that the weaker firms were being crowded to the wall. The result has been a union of employers so that their combined strength may serve as a bulwark to withstand the attacks of the labor unions. The movement for the organization of employers is new. The idea is said to have been originated by Mr. D. M. Parry, of Indianapolis, and was first pushed by the manufacturers' association of that city. The movement has spread quite rapidly from State to State. All these organizations are combined in a grand national association which is to include, as the "New York Commercial" says, "all the great manufacturers of the country, the railroads, great retail interests, and the majority of banking institutions. Nearly all the existing organizations, local in scope but with the same object in view, will be affiliated with the national body." The competitive interests of the employers are forgotten in their effort to utilize their united strength against what they regard as their common enemy—the unions. They are clear and definite as to their programme. "There is to be no single-handed warfare against labor unions, but a concentrated effort. It will be a war in which the employers will stand united." This was the remark of a member of the railroad association. A representative of the manufacturers' association said: "Every time a sympathetic strike is used as a weapon against the employers, the employers will strike back with a sympathetic lockout. Arbitration is a farce. It simply means splitting the difference." The employers have organized into a national association, and their platform demands:

Freedom of contract. No discrimination against non-union labor.
No sympathetic strikes to be tolerated.
Enforcement of law.

Demand for Government Intervention.

In addition to the idea of fighting the unions in such matters as strikes, there is another and somewhat newer feature in the movement. This is the growth of the feeling that some power of the Government should interfere in the settlement of strikes. The power of organized labor is beginning to make itself felt in legislation. This was seen in the recent agitation in favor of the anti-injunction and eight-hour bills. The coal strike of 1902 was a strong influence in favor of public ownership of the coal mines. There is no question but that the general effect of that strike was to influence public opinion in favor of the workers as opposed to the capitalists. Recent legislation shows the influence of the laboring class, and it is to counteract this influence in legislation, as well as to resist the demands of the union for higher wages, that the employers have organized. That this is the true situation is evident from the remarks of Mr. Parry. "There is no safe dependence to be placed in the action of the legislators whose political life is dependent in some degree on the labor vote. Even the constitution of the country does not appear to be a sufficient bulwark for our liberties, and while the majority of the judiciary is in the main standing firm, yet our judges are being subjected to such attacks that even they may yield." *

It is not at all unlikely that the organization of capital for the purpose of fighting the labor unions will be productive of considerable good. When all employers are perfectly organized, the odds against the workmen will be so great that it will be futile for the men to attempt to carry on a fight. It will be a losing game from the start. This will tend to check the hasty calling of strikes. It is very likely that it will make the unions more ready to submit their disputes to a board of arbitration. In this way the organization of employers is to be looked upon as a good omen. Germany keeps out of war with France and Russia by keeping a large reserve of fighting power. So it may be that the employers by organizing into a fighting power will not need to use this power against the workmen. The knowledge that the sympathetic strike will be followed by the sympathetic lockout will be apt to make the bravest of the walking delegates more thoughtful before he calls a strike. However, the good we hope may come from this organization of employers is not unmixed. It is tempered by the fear of a combination between employers and laborers which is fraught with danger to the public, illustrations of which appear below.

Hostile Feelings Between Capital and Labor.

Perhaps a word should be said on the effect that these combinations are likely to have on the hostile class feeling between laborers and capitalists. It is true that there is a good deal of this feeling now in the country. It is almost certain that anything that tends to separate the working class into a group on one side and the employers into another and opposing group is very certain to intensify any class feeling that may exist. Whenever a man joins

* Quoted in "Wilshire's Magazine," September, 1903.

a labor union and thereby proclaims that he is a manual laborer, he identifies himself with a certain class and the more that class exerts itself so as to make its influence felt, the more the stratification of society tends to become clea·ly defined. As class lines become more definite the more difficult it becomes for one to escape from the class in which he is to the higher class where each one desires to be. The strife between the two groups in the case we have been discussing is a cause that is operating to make our society like that in European countries and separate it more and more into classes. There seems to be little escape from this at the present time.

Individualism Giving Way to Organization.

When all employers are organized into one association and the rules prescribed by which they shall carry on their business, on what terms they shall hire and discharge their men, what shall be the hours of work, what material they shall use and of whom they shall buy it, what prices they shall charge and for whom they shall work, there is almost if not quite an entire loss of that peculiar mark of personality which has often been expressed by the owner and proprietor when conducting his business.

In many ways it is possible for a man to express his individuality in the management of industry. This possibility is tending to disappear. The more closely the business interests of the community are organized, the smaller is the chance of expressing any individual idea, especially if the idea is a little out of the usual line. All business must then be carried on according to set rules. The chance for originality in the treatment of employees, for experimenting with shorter hours, or fixing a different rate of wages, or putting into operation the original and ingenious ideas of individual employers, such as has been characteristic of industrial methods in the past, will be greatly curtailed.

Under the new system, when all employers are thoroughly organized, the method of conducting industrial affairs will be similar to the methods by which ordinary corporate business is now carried on. In the corporate industries the owners or stockholders are far removed from the scene of the actual business. Their responsibility is at a minimum. There is none of their individuality in the conduct of the business, or at most but a very infinitesimal part. In fact, there is very little of anybody's individuality in the management of the business. Some Wall Street individual may make his influence felt in the price of the stocks of the concern, but the business methods are not those of any stockholder. They are the methods of an artificial person—the corporation, and this person has but one sentiment, viz., to make money. The directors select a manager to carry on the business. He is hired to make the business pay; in other words, to earn dividends for the stockholders. This he knows and feels. He dares not undertake any venture that tends in the slightest degree to imperil the earning capacity of the organization that employs him. Under the old system, when the owner was his own manager, it has often happened that he has done things in business that have injured his profits, but he has done these things knowing exactly what the result would be but doing so for the sake of principle. It has seemed to him a duty he owed to society to imperil his profits for the sake of reforms in which he believed.

Here is a good illustration of the case. In the year 1900 Gustavus Meyers

wrote a history of Tammany Hall. In this book he exposed, as much as the evidence warranted, the corruption that had been practiced in the long history of this powerful political organization. The book is written with a good deal of care and the statements are verified by references to the testimony of witnesses in the investigations that have been made by the State of New York to inquire into the workings of this society. The book is a real contribution to political literature, and is proving a good seller. The curious thing about it was the difficulty of its publication. He submitted the manuscript to nine different publishing corporations, but it was declined by the manager in each case. It was not rejected because it was an inferior work or one that would not sell, but as several of these firms replied, it was considered inadvisable to publish such a work. One firm whose readers recommended the book said that they did not consider themselves warranted in locking horns with Tammany Hall. The work was finally published by private subscription. It is now on sale at the author's home.

It seems strange that in a great city no publishing house could be found to publish a work of so great interest and one whose statements were not contradicted. But a little reflection will enable us to see that in the city of New York there is a great demand for school text-books and it may be that the publishing houses which are nearly all in the educational book trade feared that in some way the adoption and use of their books in the schools of the city of New York might be interfered with by their activity in publishing such a work.

This was a case where there was a very good chance for a publisher of strong character to assert his individuality in his business. He might have undertaken the publication of the work for the sake of principle even though he knew it would endanger his profits somewhat. Here was a chance for a person of strong will to deal a blow at what he considered a huge mechanism of corruption. It seems that many a man in managing his own private business would not have hesitated to avail himself of this opportunity. There are some men who will seize the opportunity to do what they think right without thinking of the loss it may cause in their business. But the manager of an organized concern cannot do this. As has been stated, his position depends on the size of the dividends he can make the stock in his corporation earn. He is therefore not going to undertake anything that will jeopardize the earning capacity of his company. When business is carried on in this way, the only object is the making of money. The chance of striking a blow for moral progress by the way in which business is managed is very nearly lost. The only thought of the manager is the increasing of the dividends, and little attention is paid to the moral effect of the conduct of the business.

Now, there cannot be much question that the organization of employers is tending to reduce business management more and more to set rules. It tends constantly to the elimination of the individual element in the management of the business. The responsibility for any questionable methods is scattered among the various members of the organization and lost, just as is the case with the stockholders of corporations. Stockholders seem to feel that they are entirely relieved of responsibility for anything. The manager shifts the responsibility to the directors; the directors shift it to the manager. As a result it is knocked back and forth like a tennis ball and has become exceedingly hard to locate.

Now, the men who will organize as an employers' association are the managers of these corporations. It is part of their business to earn more dividends, and if it can be done by a national federation of the employing class, they will of course resort to that. When such an organization is once formed, it will be managed just as the corporations are now managed, and if there is anything to be gained by the use of unscrupulous methods in the management of the federation, there will be a temptation to use them.

The same might be said of the unions. Their officers hold their positions by virtue of the skill they show in securing higher wages for their members. The very conditions in which they must work are such that they cannot be expected to discriminate nicely over the ethical aspects of their action in calling a strike at a time when it is most unfair not only to the employer but to the consuming population as in the case of a strike of the milk-drivers in a large city.

Gain the Sole Object of Organized Labor and Organized Capital.

The managers of corporations think of nothing but how to earn for their companies the highest dividends. The officers of labor unions think of nothing but how to get the highest wages for their members. The stockholders of the corporations and the members of the labor unions think of nothing but what they will receive. Both are considerably removed from the scene of the actual bargaining. The result is that there is a chance for the more unscrupulous manager or officer to do a great deal of work in ways which the members alone would not feel that they could approve. In any case the members of the union or the stockholders of the corporation do not hesitate to receive their share of the profits be they legitimately or otherwise obtained. It has been shown that the members of the New York unions knew that the methods of Sam Parks were not such as to bear the light of day, yet they would say, "Look at the wages! They were $2.50, now they are $4.50! What if he does take out something for himself? He deserves it!"

The members of the trades unions want results, and they want them in the form of higher wages. The stockholders of corporations want results, and they want them in the form of higher dividends. Neither the unionists nor the stockholders are going to ask too closely of the manager or the walking delegate concerning the methods he has employed to secure the returns. It is the size of the return that interests them. This it is and this alone.

This condition of things is very much like that which prevailed before the State had enacted any factory legislation. When the employment of children might be carried on without restriction, the employer who did not hesitate to employ them was able to drive his more scrupulous competitor to the wall. At the present time the corporation manager and the walking delegate are tempted to use unscrupulous methods. It has been said that in certain lines of industry the corporation manager who does not hesitate to bribe the city aldermen nor to make a bargain with the walking delegate to call strikes in all jobs except his own, is frequently able to earn large dividends for his stockholders. It has been shown that the managers of some of the construction companies in the city of New York have not hesitated to use all the means of corruption known to the modern lobbyist, in order to secure contracts for the erection of public buildings at a larger sum than was just. In this way the returns to the stockholders have been increased. Such a con-

dition of industry is one which tends to put a premium on the worst traits in the business world.

The same conditions confront the walking delegate. It has been said that as at present managed the union is a thing that makes it possible for the worst of walking delegates to rule and make large sums in a dishonest way. Recent magazine articles claim that it has been customary for some of these delegates to ascertain what contractors are under bonds to complete their work within a certain time and find out if they are in any way behind, and then for some trifling excuse call out their men. In a case of this kind the strike is likely to be a success. It is also said that some of the most successful strikes have been ordered by the worst of walking delegates. This has been illustrated by the career of the notorious Sam Parks in New York.

It is quite clear that, left entirely alone, the organized conditions of modern industry are such that they tend to prevent the managers of corporations and the leaders of the labor unions from considering the ethical effects of the methods they are tempted to employ. This constant tendency to organize is creating an opportunity which unless carefully guarded will enable corrupt men to get control of industry and conduct it so as to put a premium on corrupt methods.

Organization not Vicious in Itself.

It is the same with industrial organizations as it is with political parties. There is nothing wrong in either workmen or employers organizing; any organization is apt to fall into the hands of designing men. Organized employers as well as organized workmen are a power that may be corruptly used. The point is that organizations, both political and industrial, must be jealously watched by a patriotic and public-spirited people in order that they may not be used against the public weal.

When two industrial organizations are so well situated that they are able to control by a monopoly the conditions of labor, and though they are antagonistic bodies, it is quite likely that they will follow the methods of other monopolies and form a combination to advance the interests of each. This has been the industrial experience of the large concerns of the United States. It is not likely that any organization will long keep up a fight when it can do better by making peace with its adversary. This is the rule of progress in all directions. It always follows the line of least resistance. In 1870 the railroads found they were wasting their strength in a useless competition, and they hit upon a scheme to combine. By this method they saved the energy they had been wasting in strife with each other and greatly increased their profits. It seems clear that labor and capital will pass out of the fighting stage in which they now are as soon as they learn that it is only necessary for them to combine in order to charge and obtain the monopoly prices they desire.

Capital and Labor Uniting to the Injury of the Public.

In the last bulletin of the Department of Labor published by the Massachusetts bureau are the agreements in twelve cities between the unions and the employers' associations. The officials of the bureau state that these agreements are fast becoming a most important factor in the industrial life of the present time. In none of these agreements is there evidence of an

exclusive contract by which both parties seem to have united for the purpose of getting more than they otherwise could out of the pockets of the public. They are very largely agreements as to the conditions of work, hours, wages, holidays, etc. There is no provision to hire only unionists, nor is there an arrangement by which the unionists agree to work only for the members of the employers' associations. This is all that is lacking to make the monopoly perfect on both sides.

The conditions in Chicago are such as to show that in certain lines of work the fighting stage in the relations of labor and capital is well-nigh over. The result is not so good as the public has hoped for from the union of labor and capital. The success of the combination of labor and capital in Chicago will prove an inducement to organization in other quarters, and the result is likely to be a repetition of the extortion that prevails in that city.

In Chicago everything is unionized, both employers and laborers. Here are some of the results of the employers and laborers getting together.* Five years ago a struggle began. It was the Coal-Teamsters' Union fighting for an increase of wages. Finally the Coal-Team-Owners' Association and the Coal-Teamsters' Union entered into an agreement regarding hours, wages, etc. They also made a secret agreement the terms of which are as follows:

"Party of the first part (the Coal-Team-Owners' Association) agrees to employ none but members of the Coal-Teamsters' Union, local number 4, in good standing and carrying the card of the organization."

"We (the Coal-Teamsters' Union) further agree that we will not work for any firm that does not belong to the Coal-Team-Owners' Association."

The agreement was signed May 21, 1902. For fear of prosecution it was slightly changed. The men agreed that they would use their best endeavors to have all employers of coal teamsters become members of the Coal-Team-Owners' Association. This is the same thing. This agreement means that the Coal-Team-Owners agree to employ only union men. The scab is driven out and competition is killed on the side of labor. The men will work only for the association and the independent employer is crushed. The result is an absolute monopoly of industry.

What were the fruits of this combination? The teamsters put up their wages from eleven to fifteen per cent. No teamster can be hired without first notifying the union. He must pay his dues, $15 to join and one dollar a month. Some teamsters earn $25 a week. The union has $25,000 in the treasury. *Dealers raised the price of coal forty per cent. No citizen can draw his own coal to his own cellar in his own wagon.* The salvation army had to get special permission from the association to haul a few loads for the poor.

Not content with a monopoly of their own industry, the combination decided to use their power to kill another and competing industry. The natural-gas industry was the one selected for destruction. Marshall Field, the Fair and the Auditorium Hotel used gas to some extent, but had to have coal in the colder weather. The drivers refused to deliver coal in the winter unless they would cease to use natural gas at all. They compelled them to remove all the gas-fixtures. The users of gas were at the mercy of the combination, and they were obliged to surrender. Field & Company were the last to yield. For a long time they kept up a vigorous fight, and only

* This account of conditions in Chicago is taken from Ray Stannard Baker in "McClure's Magazine," September, 1903.

yielded when there was not coal enough in their furnaces to run for more than two hours longer. Thomas A. Hall, the manager of a set of apartment buildings would not surrender. His janitors struck. The teamsters struck in sympathy. He was forced to yield. The union has further changes in the industry projected. They intend to stop delivering coal in bags. Then the public will be obliged to hire hustlers to carry the coal from the walk to the cellar. In this way room will be made for the employment of another set of manual laborers.

Perhaps the worst feature of this new form of union between labor and capital is the agreement as to the number of milk deliveries a day in the city. The utter ruthlessness of this extortionate method of organized industry is well exemplified by the decision of the Milk Dealers' Association and the Milk-Wagon Drivers' Union to make but one milk delivery a day in the city. Two deliveries a day had been made for years in most districts. Dr. Reynolds, of the board of health, wrote a letter to the associations and protested in behalf of the suffering babies. They paid no attention to his protest. The cry of the children was as nothing to them. The bulletin of the board of health soon showed the effects. The infant death rate began to increase at once and in a few weeks had increased forty per cent.

The monopoly combination between labor and capital when once adopted tends to strengthen each of the separate organizations. The public will not have an avenue of escape from these conditions till a new legal code is developed and adopted. In some way there is apt to be a means of escape from conditions like these. However, there is no reason to think that it will come about easily and of itself. Such an opinion is nothing but the most blind and unreasoning optimism. None of the great benefits of civilization have come without a severe struggle, and so it will be with the destruction of the new extortion in the shape of these monopoly combinations.

When all trades are well organized, in fact so well organized that they are able to keep up the prices of their services to a point beyond what the community are willing or able to pay for them, it becomes a serious matter as to how the problem may be solved. It is true that in some industries this may be left to the ordinary economic laws, but in many lines of work this is not the case. In the case of the coal-handlers of Chicago, it is not a matter that can be left to competition and the laws of political economy. It is true that new inventions would in that case as in others ultimately secure for us some other means of heating our houses and supplying the power we need in other ways, but we cannot afford to wait, for before we could secure the benefits of the new invention we should probably all be dead.

With the growth of civilization many things with which the public had formerly nothing to do have now become things in which the public has an interest of infinite value as it determines whether the population shall live or die. Before the era of great modern cities it was of no consequence to the public as to how milk was delivered. Most men kept their own cow and in this way were protected from the trouble in Chicago that has already been mentioned. The same may be said of the delivery of coal. It was not then a matter of life or death to vast numbers of the population. When it was first discovered that certain industries were in their nature what have been called quasi-public, it was thought that only a few industries were of this type. These were such as the railroad, water supply, gas-works and a few

others of like nature; industries that all could see that their stoppage resulted in great loss to the whole country. With the course of time the number of these industries is tending constantly to increase. It seems that it may be likely that the list will be so extended as to include all businesses that are concerned with providing for the more necessary wants of modern society. It is becoming quite clear that the delivery of coal in a great city is one of the legitimate functions for the interference of the Government. So it is with the case of milk. These are things on which the lives and welfare of the population depend. Any Government is justified in interfering in any case where the lives of the people are in danger. This is simply the doctrine of common sense.

In these industries that are becoming more and more quasi-public, the duty of the Government to guarantee their operation becomes apparent. There seems to be no reason why the city should not operate its milk supply. It is almost as important as that it should furnish a supply of pure and wholesome drinking water. We are told by medical men that typhoid fever is very often conveyed in milk as well as water. In Glasgow two hundred cases of typhoid fever were traced to a dairy whose cows had been drinking polluted water. It is probable that aside from water the healthfulness of the population is as dependent on the milk supply as on any other one thing. This is especially important in the case of infants. The death rate of infants is much greater than it would be if it were possible for the parents to procure a supply of pure milk for their babies. Many cities attempt to inspect the milk supply, but affairs in Chicago seem to indicate that the delivery also should be guaranteed by the city government.

Bound up with the checking of the infant death rate is a more subtle problem. It has been shown that the death rate of infants, where it is excessive, is a strong factor in causing poverty. The high death rate of infants in the poorer districts tends to keep the people poor. Charles Booth has shown by his studies of the poor in London that the death rate of infants is abnormally high in the poorer sections and that it acts as a cause to keep the population there in a continual state of poverty. He says that the death of one baby is almost invariably followed by the birth of another in a few months thereafter. This continuous succession of births and deaths tends to lay on the population there a heavy burden and greatly interferes with its industrial efficiency. This same truth is very well illustrated in other parts of the world and has, in fact, become a generally accepted truth in the science of biology. Such being the case, it is not difficult for any one to realize the importance of supplying pure milk to the children of the city and thus reducing the death rate in this class, thereby preventing in some measure the evils that are so intimately connected with the poverty of great centers of population.

What is true of milk is also true of coal. It is now known that coal is an article that the modern world must have. Every one became convinced of this fact during the coal strike of 1902. Modern life is so tied up with the coal industry that in many quarters a strong demand arose for the public ownership and operation of the coal mines. While this may not be needed, it is safe to say that such an arrangement as has been shown to exist in the city of Chicago in regard to the delivery of coal to the consumers there is a problem that calls for governmental solution. There is no doctrine but the doctrine of robbery that will advocate the standing idly by and allowing the population to be plundered so unscrupulously. In such a case no one will hesitate to call in the aid of the Government. No one will halt at Government operation. It may be that desirable results can be attained by the interference of the Government in some other way than by direct ownership and operation. Perhaps some sort of supervisory control may achieve the desired result, but in this country the results of attempts at such supervisory control have been anything but gratifying. The ordinary citizen is beginning to look more and more to the Government to help him out of these most serious difficulties.

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

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AUTHORITY OF CASHIER—PAYMENT OF CASHIER'S DEBT BY CREDITS WITH BANK.

Supreme Court of Kansas, January 9, 1904.

HIER vs. MILLER.

The Cashier of a bank has no implied authority to pay his individual debts by entering the amount of them as a credit upon the passbook of his creditor, who keeps an account with the bank, and permitting the creditor to exhaust such account by checks which are paid, the bank having received nothing of value in the transaction.

If the Cashier of a bank, without actual authority so to do, should undertake to pay his individual debts in the manner stated, the bank may recover of his creditor the amount of money it may put out upon checks drawn upon the faith of the unauthorized passbook entries.

The fact that the Cashier is personally interested in a transaction of the character described is sufficient to put his creditor upon inquiry as to the actual extent of the Cashier's power.

The Cashier of a bank organized under the laws of Kansas, was allowed the sole charge and conduct of its affairs by its board of directors. He was indebted individually to a depositor of the bank, and upon different occasions pretended to make payments upon such indebtedness by giving the depositor credit upon her passbook. Such credits were not shown upon any other memoranda of the bank's business, and were not entered upon its books. The last transaction of this character occurred upon November 30, 1900. A final settlement was then had between the depositor and the Cashier, resulting in the surrender to him of his last unpaid note, and entry upon her passbook as before. She then demanded her balance in the bank. The Cashier balanced her passbook, she drew a check for the amount shown by the passbook to be due her, and he gave her therefor a Cashier's draft upon a bank in St. Joseph, Mo., which was afterwards duly paid and returned. No officer of the bank had actual knowledge of the true character of these transactions except the Cashier. The depositor herself acted in good faith. On January 16, 1901, the death of the Cashier occurred. The bank was then found to be insolvent, was immediately taken in charge by the Bank Commissioner, and in due time a Receiver for it was appointed. Because the books of the bank did not disclose the personal transactions of the Cashier with the depositor, her account appeared to be overdrawn when the Receiver assumed control. The amount of the overdraft following the affair of November 30, 1900, was somewhat reduced by deposits subsequently made by third parties to the depositor's credit, and the Receiver sued for the balance appearing to be due when he took charge. From the facts found the district court concluded that

the Cashier had no authority to pay his individual debts to the depositor by giving her credit in the bank and permitting her to draw checks upon it without its having received anything of value therefor; that the entries of credit upon the depositor's passbook were acts beyond the scope of the Cashier's power; and that, because nothing appeared upon the books of the bank to give notice of the facts, the bank was not bound. Judgment was rendered for the Receiver.

BURCH, *J.:* The defendant received no money in payment of her debtor's notes, and made no deposit in the bank of anything derived from them. Her debtor made no deposit for her, and procured no transfer of funds to her account as an equivalent. Therefore the books of the bank spoke true, and any obligation of the bank to pay the defendant's checks arose from the entries upon her passbook made by bank's Cashier. Those entries were made in payment of the Cashier's private debt, and, if of any effect at all, amounted to an appropriation of the money of the bank to the discharge of his personal obligations. The Cashier had a right to dispose of the funds of the bank for purposes contemplated by its charter. For this his office is a warrant of authority. But he could not absorb the funds of the bank in the satisfaction of his private debts without an express and especial authorization. The office of Cashier does not import such power. Whether or not such authority actually did exist the defendant was bound to inquire. It has been well understood from of old that no man can serve two masters. He will hold either to one or to the other. For a like reason the Cashier could not serve both himself and the bank in a single transaction, and because he was attempting such a perilous thing the defendant was put upon guard as to the extent of his power. "It is against the general law of reason that an agent should be intrusted with power to act for his principal and for himself at the same time." (Bank of N. Y. N. B. Ass'n vs. A. D. and T. Co. 143 N. Y. 559, 564.)

"It is not pretended that Collins had any express authority to apply the funds of the bank to the payment of his own note. He had no implied authority to do so. There are no presumptions in his favor of such a delegation of power. He who assumes to rely upon the authority of an agent to bind his principal to the discharge of the agent's own obligation must prove actual authority if contest arises. No principle of law of agency is better settled than that no person can act as the agent of another in making a contract for himself." (Chrystie vs. Foster, 61 Fed. 551, 553, 9 C. C. A. 606.)

The case of Williams vs. Dorrier, 135 Pa. 445, is directly in point. The syllabus reads: "The Cashier of an unincorporated bank, himself a partner, being indebted individually on a note he made to a depositor, wrote to the latter that he had placed to his credit $1,000 as a payment on the note. A credit for this amount was placed to the depositor's account upon the books of the bank. Afterward the Cashier wrote to the depositor that he had again placed $1,000 to his credit as a second payment, but no credit for this amount was placed to the account. The depositor checked out, from time to time, both amounts, when the Receiver of the bank sued to recover the same from the depositor. (1) In such case the bank was estopped from setting up want of authority in the Cashier, so far as related to the credit of the first $1,000, but was not estopped by the act of the Cashier as to the second $1,000, though the Cashier had placed them both upon the depositor's passbook; and the bank could recover the latter as an overdraft."

The entry of credits in the defendant's passbook in payment of the Cashier's private debt is quite analogous in principle to the payment of a bank officer's personal obligations by drafts drawn by him in favor of his creditor upon the funds of the bank. In such a case it is the duty of the recipient of the instruments to inquire of those who alone could confer it if the officer possessed the requisite power to execute them. "Brokers who receive drafts drawn in their favor by the President of a bank upon its funds in settlement of his transactions upon the board of trade are bound to communicate that fact to the bank directors, and to inquire as to his authority to execute the paper." (Lamson vs. Beard, 94 Fed. 30, 36 C. C. A. 56.)

In the case just cited Judge Woods discusses the direction and scope of such an inquiry in the following manner: "The inquiry, therefore, which these plaintiffs in error should have made, was whether Cassatt had authority to draw drafts of the bank upon funds of the bank in possession of its correspondents for use in his individual transactions. Such an inquiry involved no difficulty beyond communicating to the directors of the bank other than Cassatt the fact that such a draft or drafts had been tendered in discharge of liabilities incurred in dealings upon the board of trade in Chicago, and asking whether the execution of the paper had been authorized. There can be little doubt what would have been the result of such an inquiry, accompanied with a frank and full statement of the facts as they were known to the payees of any of the drafts in suit at the time of execution. It would not have needed a discovery of Cassatt's fraudulent bookkeeping to enable the directors to say whether the execution of such paper had been theretofore authorized, or then had their approval. As contended, it was clearly no duty of the plaintiffs in error to undertake an examination of the books, which, once they commenced inquiry into the management of the bank, they would have learned had been wholly in the keeping of Cassatt and of clerks who could not be expected to testify against him. Inquiry of Cassatt, too, it is to be presumed, would have been useless, and therefore, if made, would not have met the requirements of the law. The one thing necessary to be known was whether Cassatt had authority to make the proposed use of the bank's paper. The authority could have come only from the directors by direct resolution or by acquiescence or implied assent, and the plain, unmistakable course was to push the inquiry, wherever begun, to the source of authority. * * *

"Ordinarily, the Cashier, being the ostensible executive officer of a bank, is presumed to have, in the absence of positive restrictions, all the power necessary for such an officer in the transaction of the legitimate business of banking. Thus he is generally understood to have authority to indorse the commercial paper of his bank, and bind the bank by the indorsement. So, too, in the absence of restrictions, if he has procured a *bona fide* rediscount of the paper of the bank, his acts will be binding, because of his implied power to transact such business; but certainly he is not presumed to have power, by reason of his official position, to bind his bank as an accommodation indorser of his own promissory note. Such a transaction would not be within the scope of his general powers, and one who accepts an indorsement of that character, if a contest arises, must prove actual authority before he can recover. There are no presumptions in favor of such a delegation of power." (West St. L. Sav. Bk. vs. Shawnee, etc., Bank, 95 U. S. 557, 559.)

"In the absence of special authority from the directors of a bank, the President cannot authorize the Cashier to pay the checks of a person who holds a claim against the President, but has no deposit in the bank. The amount of the checks cashed can be recovered by the bank from the drawer of the checks in an action for money paid out." (Dowd vs. Stephenson [N. C.] 10 S. E. 1101.)

"A general authority to the President of a bank to certify checks drawn upon it does not extend to checks drawn by himself. The face of the check showing the President's attempt to use his official character for his private benefit, every one to whom it comes is put upon inquiry; and when the certificate is false no one can recover against the bank as a *bona fide* holder." (Claflin vs. Farmers and Citizens' Bank, 25 N. Y. 293.)

In the case of Campbell vs. Manufacturers' National Bank, 67 N. J. Law, 301, the Receiver of a bank brought an action to recover money obtained by the defendant upon a draft drawn upon the bank funds by its Cashier in payment of his individual debt. In sustaining a recovery the court said: "There is no reason, which is founded on principle, that can be given for not applying the same rule of agency to a Cashier as to other persons occupying fiduciary relations. No person can act as an agent in a transaction in which he has an interest, or to which he is a party, on the side opposite to his principal. This must be so where the person dealing with the agent has knowledge of the facts. A person cannot deal with a Cashier of a bank as an individual in securing a draft, and claim, after the draft is delivered, it has become the transaction of the bank. To make the acts of the Cashier valid, the transaction in which the draft is delivered must be a bank transaction, made by the Cashier, within his express or implied authority, in the conduct of the business of the bank. So long as a person deals with the Cashier in a matter wherein, as between himself and the Cashier, he is dealing with, or has a right to believe he is dealing with, the bank, the transaction is obligatory upon the bank. The Cashier is presumed to have all the authority he exercises in dealing with executive functions legally within the powers of the bank itself, or which are usually or customarily done, or held out to be done, by such an officer. But the test of the transaction is whether it is with the bank and its business, or with the Cashier personally and in his business. (Claflin vs. Farmers' Bank, 25 N. Y. 293; Moores vs. Citizens' National Bank, 111 U. S. 156.) As to the former, all presumptions are in favor of its regularity and binding force. In the latter no such presumption arises. In fact, upon proof that it was known to the claimant to be an individual transaction, and not one for the bank, the burthen is cast upon the claimant to establish by proof that the act of the Cashier thus done for his own individual benefit was authorized or ratified. These are fundamental principles applicable to principal and agent in every transaction arising out of that relation."

* * * * * * * * * *

It is said that the act of the Cashier in entering up deposits on the defendant's pass-book was an assurance from him that, if he was using the bank's funds, he was acting within his authority. The reply is that, because he was paying his own debt his assurance was merely that of himself as an individual for his own ends, and not that of the bank through him, as its agent, for its benefit.

It is said that when a bank places an officer at the window, where he

transacts its business with the public, it in effect tells the world that he is trustworthy and reliable, and that he will act within the scope of his authority. It does nothing of the kind. Such a declaration would protect a recipient in the enjoyment of a Christmas gift of the entire body of corporate assets. By placing an officer at the window to do its business a bank publishes to the world that he is there to do its business, and not his business; that he has no power or authority to do any act outside the legitimate prosecution of the corporate enterprise; and that it will not be bound by any perversion of the corporate funds to his personal use. "The Cashier is the executive of the financial department of the bank. and whatever is to be done, either to receive or pass away the funds of the bank for banking purposes, is done by him or under his direction. He therefore directs and represents the bank in the reception and emission of money for banking objects. (United States vs. Bank, 21 How. 356; Merchants' Bank vs. State Bank, 10 Wall. 604; Com. Bank vs. Norton, 1 Hill [N. Y.] 501.) But neither the President nor the Cashier can impose by his own action, on the bank, any liability not already imposed by law or usage." (Asher vs. Sutton, 31 Kan. 286, 289.)

In an effort to avoid the effect of these conclusions and to establish ratification or estoppel on the part of the bank, the defendant strives to magnify the importance of many minor details of her relations with the bank and its Cashier, in which the voluminous findings of fact abound. It may be doubted if the act of the Cashier was capable of ratification by the board of directors, because it was not within the power of the board to grant him such authority in the first instance.

* * * * * * * * * *

But conceding the transaction to be one which the board of directors could have authorized, a careful consideration of the findings of fact discloses no substantial ground for denying the right of the Receiver to recover the money of the bank which the defendant obtained. To state fully the reasons for this conclusion would require a discussion of the facts far beyond the proper limits of a written opinion. It may be said in passing, however, that the defendant stands upon precarious ground in invoking the rule of equitable estoppel against the representative of the bank. When the Cashier made an entry in the defendant's pass-book of the receipt of money by the bank, she knew the recital was false, for she had delivered to the bank nothing of value at all. She knew that something more must be done before she could rightfully demand the payment of her checks. She knew very well that the money was yet to be supplied, and that, unless funds actually were furnished, there was nothing which she could have any right to withdraw. No obligation rested upon the bank, or upon any of its officials as such, to deposit or to transfer funds to the credit of her account. She was required to do that herself, or to see that it was done. If she depended upon her debtor to act for her, it was incumbent upon her to see that he did whatever was required. It did not devolve upon the bank to see that her debtor discharged any duty to her, and when he failed to supply her account with necessary funds the bank was not bound to make good his default. She had no right to ask the bank to return to her money which she never deposited, and which it never in fact received from any source; and when it paid her checks without any money belonging to her in its possession to meet them it was entitled to be reimbursed.

Other propositions presented by counsel need not be discussed at length. None of them are sufficiently grave to require a reversal of the judgment of the district court. It is therefore affirmed. All the justices concurring.

BANKRUPTCY OF DEPOSITOR—RIGHTS OF BANK.

Supreme Court of the United States, January 4, 1904.

NEW YORK COUNTY NATIONAL BANK vs. MASSEY, TRUSTEE.

A deposit of money with a bank upon an open account subject to check may be set off in bankruptcy against a claim of the bank against the depositor, allowing the bank to prove for the balance.

Such deposit, though made within four months of adjudication of bankruptcy, does not constitute a preference which must be surrendered before the bank may prove its debt.

Mr. Justice DAY delivered the opinion of the court.

This is an appeal from the judgment of the circuit court of appeals for the second circuit, reversing the order of the district court affirming the order of the referee in bankruptcy, allowing a claim against the estate of Stege & Brother. This claim was allowed against the contention of the trustee of the bankrupt that it could not be proved until the bank should surrender a certain alleged preference given to them in contravention of the Bankrupt Act. The circuit court of appeals reversed the order of the district court, holding that the bank must first surrender the preference before it could be allowed to prove its claim (116 Fed. Rep. 342). The circuit court of appeals made the following findings of fact:

"For a number of years past the bankrupts, George H. Stege and Frederick H. Stege, were engaged, in the city and county of New York, in the business of dealing in butter, eggs, etc., at wholesale, under the firm name and style of Stege & Brother. On January 27, 1900, they filed a voluntary petition of bankruptcy, in the district court, with liabilities of $67,232.49 and assets of $20,729.66, and upon the same day were duly adjudicated bankrupts. Among their liabilities there was an indebtedness of $40,000 to the New York County National Bank, for money loaned upon four promissory notes for $10,000 each. The money was loaned to the bankrupts, and the notes were originally given as follows: April 26, 1899, $10,000, six months, due October 26, 1899; April 26, 1899, $10,000, seven months, due November 26, 1899; June 26, 1899, $10,000, four months, due October 26, 1899; August 2, 1899, $10,000, four months, due December 2, 1899. None of these notes were paid when they fell due, but were all renewed as follows: October 26, 1899, $10,000, three months, due January 26, 1900; November 26, 1899, $10,000, seventy-five days, due February 9, 1900; October 26, 1899, $10,000, three months, due January 26, 1900; December 2, 1899, $10,000, sixty-nine days, due February 9, 1900.

On January 23, 1900, in the morning, the bankrupts went to the New York County National Bank and asked the officers to have the two notes of $10,000 each, which fell due on January 26, extended. The bankrupts at that time informed the bank officers that they were unable to pay the notes then about to fall due. In the afternoon of the same day, January 23, 1900, the bankrupts again called upon the bank officers, and at that time they delivered to them a statement of their assets and liabilities, which statement was not delivered until after the deposit of $3,884.47 had been made on that day.

This statement, as of January 22, 1900, showed their assets to be $19,095.67 and their liabilities $65,864.61.

The bankrupts kept their bank account in the New York County National Bank since May 6, 1899. On January 22, 1900, their balance in the bank was $218.50. On the same day they deposited in that account $536.83; on January 23, 1900, $3,384,47; on January 25, 1900, $1,803.95, making a total of $6,225.25 deposited in the three days mentioned. Of this amount there was left in the bank account on the day of the adjudication in bankruptcy, January 27, 1900, the sum of $6,209.25, the bank having honored a check of Stege Brothers after the date of all these deposits.

At the first meeting of creditors, February 9, 1900, the New York County National Bank filed its claim for $33,790.25.

In its proof of claim the bank credited upon one of the notes which became due January 26, 1900, the deposit of $6,209.25. The claim was allowed by the referee in the sum of $33,750.25, being $40,000 less the amount on deposit in bank ($6,209.25), and a small rebate of interest on the unmatured notes. Some of the creditors at this meeting reserved the right to move to reconsider the claim of the New York County National Bank. The referee granted this request. Afterwards the trustee, as the representative of the creditors, moved before the referee to disallow and to expunge from his list of claims the claim of the New York County National Bank unless it surrendered the amount of the deposit, namely, $6,209,25, which had been credited by the bank upon one of the notes. The referee denied that motion, and an appropriate order was made and entered. The trustee thereupon duly filed his petition to have the question certified to the district judge. The district judge on November 25, 1901, made an order affirming the order of the referee. From that order an appeal was duly taken by the trustee to the circuit court of appeals. The deposits were made in the usual course of business. At the time they were made Stege Brothers were insolvent."

As a conclusion of law the court of appeals held that the deposit would amount to a transfer enabling the bank to obtain a greater percentage of the debt due to it than other creditors of the same class, and that allowance of the claim should be refused unless the preference was surrendered. This case requires an examination of certain provisions of the Bankrupt Law. Section 68 of that law provides:

"Section 68. Set-offs and counterclaims:

(a) In all cases of mutual debts or mutual credits between the estate of a bankrupt and a creditor, the account shall be stated, and one debt shall be set off against the other and the balance only shall be allowed or paid.

(b) A set-off or counterclaim shall not be allowed in favor of any debtor of the bankrupt which (1) is not provable against the estate, or (2) was purchased by or transferred to him after the filing of the petition or within four months before such filing, with a view to such use and with the knowledge or notice that such bankrupt was insolvent or had committed an act of bankruptcy."

Section 60 provides (prior to the amendment of February 5, 1903):

"Section 60. Preferred creditors: a. A person shall be deemed to have given a preference if being insolvent he has * * * made a transfer of any of his property, and the effect of the * * * transfer will be to enable any one of his creditors to obtain a greater percentage of his debt than any other such creditors of the same class."

Section 57g provides (prior to amendment of February 5, 1903):

"Claims of creditors who have received preferences shall not be allowed unless such creditors shall surrender the preferences."

Considering, for the moment, section 68, apart from the other sections, subdivision (*a*) contemplates a set-off of mutual debts or credits between the estate of the bankrupt and the creditor, with an account to be stated and the balance only to be allowed and paid. Subdivision (*b*) makes certain specific exceptions to this allowance of set-off, and provides that it shall not be allowed in favor of the debtor of the bankrupt upon an unproved claim or one transferred to the debtor after the filing of the petition in bankruptcy, or within four months before the filing thereof, with a view to its use for the purpose of set-off, with knowledge or notice that the bankrupt was insolvent or had permitted an act of bankruptcy. Obviously, the present case does not come within the exceptions to the general rule made by subdivision (*b*). It cannot be doubted that, except under special circumstances, or where there is a statute to the contrary, a deposit of money upon general account with a bank creates the relation of debtor and creditor. The money deposited becomes a part of the general fund of the bank, to be dealt with by it as other moneys, to be lent to customers, and parted with at the will of the bank, and the right of the depositor is to have this debt repaid in whole or in part by honoring checks drawn against the deposits. It creates an ordinary debt, not a privilege or right of a fiduciary character (Bank of the Republic vs. Millard, 10 Wall. 152). Or, as defined by Mr. Justice White in the case of Davis vs. Elmira Savings Bank (161 U. S. 288):

"The deposit of money by a customer with his banker is one of loan, with the superadded obligation that the money is to be paid, when demanded, by a check" (Stanley vs. Kimball's Assignee, 92 U. S. 369).

It is true that the findings of fact in this case establish that at the time these deposits were made the assets of the depositors were considerably less than their liability, and that they were insolvent, but there is nothing in the findings to show that the deposit created other than the ordinary relation between the bank and its depositor. The check of the depositor was honored after this deposit was made, and for aught that appears Stege Brothers might have required the amount of the entire account without objection from the bank, notwithstanding their financial condition.

We are to interpret statutes, not to make them. Unless other sections of the law are controlling or in order to give a harmonious construction to the whole act a different interpretation is required, it would seem clear that the parties stood in the relation defined in section 68a with the right to set off mutual debts, the creditor being allowed to prove but the balance of the debt.

Section 68a of the Bankruptcy Act of 1898 is almost a literal reproduction of section 20 of the Act of 1867. So far as we have been able to discover the holdings were uniform under that act that set-off should be allowed as between a bank and a depositor becoming bankrupt. (*In re* Petrie, 7 N. B. R. Fed. Cases, No. 11040; Blair vs. Allen, 3 Dill. 101, Fed. Cases, No. 1483; Scammon vs. Kimball, 92 U. S. 362). In Traders' Bank vs. Campbell (14 Wall. 87) the right of set-off was not relied upon, but a deposit was seized on a judgment which was a preference.

But, it is urged that, under section 60a, this transaction amounts to giving a preference to the bank, by enabling it to receive a greater percentage of

its debts than other creditors of the same class. A transfer is defined in section 1 (25) of the act to include the sale and every other and different method of disposing of, or parting with, property, or the possession of property, absolutely or conditionally, as a payment, pledge, mortgage, gift or security. While these sections are not to be narrowly construed so as to defeat their purpose, no more can they be enlarged by judicial construction to include transactions not within the scope and purpose of the act. This section 1 (25), read with sections 60a and 57g, requires the surrender of preferences having the effect of transfers of property "as payment, pledge, mortgage, gift or security, which operate to diminish the estate of the bankrupt and prefer one creditor over another."

The law requires the surrender of such preferences given to the creditor within the time limited in the act before he can prove his claim. These transfers of property, amounting to preferences, contemplate the parting with the bankrupt's property for the benefit of the creditor, and the consequent diminution of the bankrupt's estate. It is such transactions, operating to defeat the purposes of the act, which, under its terms, are preferences.

As we have seen, a deposit of money to one's credit in a bank does not operate to diminish the estate of the depositor, for when he parts with the money he creates at the same time, on the part of the bank, an obligation to pay the amount of the deposit as soon as the depositor may see fit to draw a check against it. It is not a transfer of property as a payment, pledge, mortgage, gift or security. It is true that it creates a debt, which, if the creditor may set it off under section 68, amounts to permitting a creditor of that class to obtain more from the bankrupt's estate than creditors who are not in the same situation, and do not hold any debts of the bankrupt subject to set-off. But this does not, in our opinion, operate to enlarge the scope of the statute defining preferences so as to prevent set-off in cases coming within the terms of section 68a. If this argument were to prevail, it would in cases of insolvency defeat the right of set-off recognized and enforced in the law, as every creditor of the bankrupt holding a claim against the estate subject to reduction to the full amount of a debt due the bankrupt receives a preference in the fact that to the extent of the set-off he is paid in full.

It is insisted that this court, in the case of Pirie vs. Chicago Title and Trust Co. (182 U. S. 438), held a payment of money to be a transfer of property within the terms of the Bankrupt Act, and when made by an insolvent within four months of the filing of the petition in bankruptcy, to amount to a preference, and that case is claimed to be decisive of this. In the Pirie case the turning question was whether the payment of money was a transfer within the meaning of the law, and it was held that it was. There the payment of the money within the time named in the Bankrupt Law was a parting with so much of the bankrupt's estate, for which he received no obligation of the debtor, but a credit for the amount on his debt. This was held to be a transfer of property within the meaning of the law. It is not necessary to depart from the ruling made in that case, that such payment was within the operation of the law, while a deposit of money upon an open account subject to check, not amounting to a payment, but creating an obligation upon the part of the bank to repay upon the order of the depositor, would not be. Of the case of Pirie vs. Chicago Title and Trust Co., it was said in Jaquith vs. Alden (189 U. S. 78, 82):

"The judgment below was affirmed by this court, and it was held that a payment of money was a transfer of property, and when made on an antecedent debt by an insolvent was a preference within section 60a, although the creditor was ignorant of the insolvency and had no reasonable cause to believe that a preference was intended. The estate of the insolvent, as it existed at the date of the insolvency, was diminished by the payment, and the creditor who received it was enabled to obtain a greater percentage of his debt than any other of the creditors of the same class."

In other words, the Pirie case, under the facts stated, shows a transfer of property to be applied upon the debt, made at the time of insolvency of the debtor, creating a preference under the terms of the Bankrupt Law. That case turned upon entirely different facts, and is not decisive of the one now before us. It is true, as we have seen, that in a sense the bank is permitted to obtain a greater percentage of its claims against the bankrupt than other creditors of the same class, but this indirect result is not brought about by the transfer of property within the meaning of the law. There is nothing in the findings to show fraud or collusion between the bankrupt and the bank with a view to create a preferential transfer of the bankrupt's property to the bank, and in the absence of such showing we cannot regard the deposit as having other effect than to create a debt to the bankrupt and not a diminution of his estate.

In our opinion, the referee and the district court were right in holding that the amount of the deposit could be set off against the claim of the bank allowing it to prove for the balance, and the circuit court of appeals in holding that this deposit amounted to a preference to be surrendered before proving the debt, committed error.

Judgment of the circuit court of appeals reversed, and that of the district court affirmed; cause remanded to latter court.

Mr. Justice McKenna dissents.

FORGED INDORSEMENT—WARRANTIES OF INDORSER—LIABILITIES OF ACCOMMODATION INDORSER.

New York Supreme Court, Appellate Division, Fourth Department, November, 1903.

PACKARD vs. WENDHOLZ.

An indorser upon a promissory note guarantees the genuineness of the signature of each prior indorser, and that the note is a valid subsisting obligation.

A person who indorses a note for the accommodation of the maker, with knowledge that the note is to be used for the benefit of the maker, is not relieved from liability to a person to whom the maker negotiates the note for value.

Adolph Truman made his promissory note, dated July 31, 1902, to the order of C. D. Eaton, and due in three months from its date. The maker forged the indorsement of Eaton, who was his father-in-law, to the note and then procured the defendant to indorse the same. The note, with these two indorsements appearing upon it, was presented to the plaintiffs, who were note brokers, to be by them negotiated for the benefit of Truman. The plaintiffs obtained one Packelnisky to indorse it, and, after indorsing it themselves, sold it to the New York State Banking Company and turned over the avails to the maker. The defendant and those subsequent to him believed the indorsement of Eaton was genuine, and the plaintiffs learned

that he was responsible. The banking company soon after suspended business, and before the maturity of the note it was taken up by the plaintiffs.

The maker also presented to the plaintiffs a note of $120 bearing the apparent indorsement of Eaton and the genuine signature of the defendant on its back, and this was put in circulation for the benefit of Truman and purchased by the plaintiffs before maturity, the same as the note above described. The latter note, when indorsed by the defendant, was $20, and was fraudulently raised to $120 before it was presented to the plaintiffs. The notes were duly protested for non-payment, and due notice thereof given to the defendant.

SPRING, *J.:* The defendant, by his contract of indorsement, guaranteed the genuineness of the signature of Eaton, the prior indorser on each note, and that the note was a "valid and subsisting" obligation. (Neg. Inst. Law [Laws of 1897, chap. 612], sec. 116; Lennon vs. Grauer, 159 N. Y. 433; Erwin vs. Downs, 15 id. 575.)

The defendant expected that the note was to be negotiated for the benefit of the maker. He indorsed it at his request, and the note was put in circulation not only within the legal contemplation of the contract of indorsement entered into by the defendant, but as he, in fact, intended. To be sure, the plaintiffs knew the note was to be used for the benefit of the maker, and that the defendant indorsed for his accommodation. These circumstances do not relieve the indorser from the effect of his contract. (Neg. Inst. Law, secs. 50, 55, as amd. by Laws of 1898, chap. 336.) One cannot enter into this contract knowing that he is indorsing solely for the benefit of another and then shield himself from the enforcement of the agreement because the purchaser is apprised that the indorsement is without actual consideration. Such a construction of the contract of indorsement would impair materially the transfer of commercial paper and nullify the effect of the contract.

The plaintiffs negotiated the notes without any knowledge or suspicion of any infirmity in them. They then purchased them before maturity from a *bona fide* holder still without any information as to any vice in them. They are holders in good faith. (Neg. Inst. Law, secs. 91, 95–98.)

The judgment should be affirmed, with costs.

INDORSER'S RIGHT TO HAVE NOTE PAID OUT OF DEPOSIT—DEPOSIT OF TRUST FUNDS.

Supreme Court of Michigan, January 26, 1904.

STATE BANK OF ST. JOHNS vs. MCCABE.

Even if a bank holding the note of a customer is required for the protection of an indorser to charge it to the account of the depositor when he has funds sufficient for that purpose, yet such rule would apply only to the time when the note fell due; for deposits made prior to maturity could not be held for the purpose, and deposits made after maturity do not affect the liability of the indorser.

Where a bank deals with a depositor as a trustee, and recognizes the funds as trust funds, it cannot appropriate them to the payment of the depositor's individual indebtedness.

This was an action brought upon a promissory note, payable on demand, for $700, dated December 30, 1898, made by J. H. Fedewa to the order of defendant, and indorsed by him.

GRANT, *J.* (omitting part of the opinion): It was developed upon the trial that plaintiff had a deposit account standing in the name of "John H.

Fedewa, Trustee," during the period of the existence of this note. The claim of the defendant is that the bank had a lien upon this deposit; that it was its duty to consider the note in the nature of a check, and appropriate enough of the deposit funds to pay it; that, failing to do this, the indorser is discharged. Whether it would have been the duty of the bank to apply the personal deposits of Mr. Fedewa, when it became due, we need not consider. The authorities seem to agree that deposits made prior to maturity cannot be held to meet the note when it matures, and also that deposits made after maturity do not affect the liability of the indorser. Only when the maker of the note has funds on deposit at the date of maturity may the bank treat the fact that the note is made payable at its bank in the nature of a check, and charge it up against the maker's deposits. Mr. Fedewa had no account standing in his individual name.

The authorities are not agreed as to the legal duty of the bank in cases of individual deposits. (Eaton & Gilbert, Com. Paper, sec. 106.) Granting that plaintiff was, in law, obligated to apply individual deposits of Mr. Fedewa to the payment of the note, was it obligated to assume the responsibility of determining at its peril that the deposits in the name of Mr. Fedewa as trustee were his own? If the bank knew that these were trust funds, and that they belonged to others, clearly it could not appropriate these funds in payment of a debt due to it. No authority cited in behalf of defendant so holds. Among the cases cited by the learned counsel to support their contention are Fox vs. Citizens' Bank & Trust Co. (Tenn.) 37 S. W. 1102, 35; Metcalf vs. Williams, 104 U. S. 93; Keidan vs. Winegar, 95 Mich. 430; Thomas vs. Exchange Bank of Angus (Iowa), 68 N. W. 780; Laubach vs. Liebert, 87 Pa. 55; McLain vs. Wallace, 103 Ind. 562.

In Fox vs. Citizens' Bank & Trust Co., the suit was between the beneficiary of the notes, signed by one Anderson as trustee, and the transferee of Anderson. It was held that "the fact that the notes appeared on their face to be payable to him as trustee would put the transferee on notice, and the claim of the beneficiaries would be superior."

In Metcalf vs. Williams it is held that the addition to the signature of the word "agent," "trustee," "treasurer," etc., does not release the agent from personal liability where the principal is not disclosed; the appendix being regarded merely as *descriptio personæ.* The Court says: "But if he be in fact a mere agent, trustee, or officer of some principal, and is in the habit of expressing in that way his representative character in his dealings with a particular party, who recognizes him in that character, it would be contrary to justice and truth to construe the documents thus made and used as his personal obligations, contrary to the intent of the parties." Under the principle of this case, if the plaintiff dealt with Mr. Fedewa in the capacity of a trustee, and recognized the funds as trust funds, and knew that they were trust funds, certainly it could not appropriate them to the payment of Mr. Fedewa's indebtedness to the bank. Under this claim on behalf of defendant, the bank must, at its risk, assume that its depositor is falsifying when he makes a deposit in his name as trustee, agent, treasurer, or county treasurer, etc., and assume that the property so deposited belongs to the depositor, instead of to the *cestui que* trust or principals. This cannot be the law.

In Keidan & Winegar the maker of the note, who affixed the word "agent" to his signature, was sued upon the note. It was held that he might show in

defense that the note was that of his principal, the real party to the transaction, and that the payee had knowledge thereof. None of the other cases cited are stronger than these three. In none of them did the question here involved arise. If the defendant could show that these funds in fact belonged to Mr. Fedewa, and that the bank knew it, then the question would arise as to whether the failure to so apply the funds operated as a discharge of the indorsers, and whether he waived notice and demand with knowledge of that fact.

Judgment reversed and new trial ordered. The other justices concurred.

INTERNAL REVENUE TAX ON NATIONAL BANKS—UNDIVIDED PROFITS.

United States Circuit Court of Appeals, Second Circuit, January, 1904.

LEATHER MANUFACTURERS' NATIONAL BANK vs. TREAT.

Under the war revenue law, "undivided profits" of a National bank are taxable as "capital."

Before Wallace, Townsend and Coxe, JJ.

WALLACE, *Circuit Judge*: The plaintiff in error was the plaintiff in the court below, and brings this writ of error to review a judgment for the defendant entered upon sustaining a demurrer to the complaint. It appears by the complaint that in February, 1902, the defendant, in assessing the plaintiff the amount of a tax upon its capital, included as part of its capital the sum of $77,796, which according to the complaint was standing on the books of the plaintiff under the profit and loss account, and "represented the undivided profits of the plaintiff as the same existed at the end of the preceding fiscal year."

The complaint stated the facts with reference to the sum in question as follows: "Instead of paying out to the holders of the capital stock of the plaintiff all the profits from year to year and at the expiration of each fiscal year, the plaintiff reserved a portion thereof and passed the same to the credit of 'profit and loss,' holding the amount so reserved subject to the application of the same in payment of any dividends which might be declared from the said profits whenever the business condition of the plaintiff warranted, and as a protection against losses which might arise, thereby diminishing and depreciating the surplus fund already reserved and carried on the books of the plaintiff. The said sum of $77,796, so reserved, constituted in part the profits reserved and accumulated for a period of years terminating with said June 30, 1901; premiums on bonds, and other increments of value, as the same appeared on June 30, 1901;" and it further alleges such sum to have been "held in no other way and for no other purpose except as a protection against losses and as a guard and protection to its surplus and capital." Upon the facts thus stated in the complaint the court below held that the sum in controversy was properly assessed by the defendant.

The case thus presents the question whether the profits of a banking corporation which accrue from its earnings after deducting all expenses and dividends, and which are thereafter carried on its books as a distinct fund, sometimes called "profit and loss," but usually "undivided profits," are liable to taxation under section 2 of the act of Congress of June 19, 1898. That section reads as follows:

"Section 2. That from and after July first, eighteen hundred and ninety-

eight, special taxes shall be, and hereby are, imposed annually as follows, that is to say:

One. Bankers using or employing a capital not exceeding the sum of twenty-five thousand dollars, shall pay fifty dollars; when using or employing a capital exceeding twenty-five thousand dollars, for every additional thousand dollars, in excess of $25,000, two dollars, and in estimating capital, surplus shall be included. The amount of such annual tax shall in all cases be computed on the basis of the capital and surplus of the preceding fiscal year. Every person, firm or company, and every incorporated or other bank, having a place of business where credits are opened by the deposit or collection of money or currency, subject to be paid or remitted upon draft, check or order, or where money is advanced or loaned on stocks, bonds, bullion, bills of exchange or promissory notes, or where stocks, bonds, bullion, bills of exchange or promissory notes are received for discount or sale, shall be a banker under this act" (War Revenue Law of 1898, 30 U. S. Stat. at Large, chap. 448, sec. 2, p. 448).

The argument at the bar has been largely directed to the question whether the undivided profits are "surplus" within the meaning of the statute. The provision for including "surplus in estimating capital" was probably inserted to remove the doubt created by a decision of Mr. Justice Nelson in construing a former statute which imposed a tax upon capital as taxing only the share capital of a banking corporation' (Bank vs. Townsend, 5 Blatch, 315).

The provision would seem to have been unnecessary, as without it, when a statute, as this does, levies a tax upon the capital used or employed by bankers generally, firms and individuals, as well as corporations, the meaning is to tax all the money and assets invested in the business as the basis of profits (Bailey vs. Clark, 21 Wall. 284), not only the original investment, but also the additions and accretions (Mut. Ins. Co. vs. Supervisors of Erie, 4 N. Y. 442; People vs. N. Y. 23 N. Y. 219; Wetherby vs. Baker, 35 N. J. Eq. 501; Tradesman's Pub. Co. vs. Car Wheel Co. 95 Tenn. 654; Hannibal R. Co. vs. Shacklett, 30 Mo. 558; Martin vs. Zellerbach, 38 Cal. 300; Security Co. vs. Hartford, 61 Conn. 89).

The term "surplus" as used in the nomenclature of bankers does not include undivided profits such as are now in controversy. Such profits may be surplus in the sense that they are a constituent of capital, but they are not surplus in the commonly-accepted sense. It is quite usual upon the organization of financial corporations for the stockholders to contribute, besides the share capital, a fund which is known as surplus. It is also quite usual for the directors or managers of these institutions to set apart and add to this fund from time to time some part of the accumulated profits of the business in excess of dividend requirements. The fund produced in either of these ways is what is known as surplus. The term is not used to designate the accumulated profits of ordinary banking firms or individual bankers; and where the statute uses it it does so with reference to the particular class of bankers to which alone it is applicable, and means the fund created by corporate or *quasi* public institutions as an addition to or reinforcement of the share capital. Undivided profits do not become a part of this fund until they have been assigned to it by some formal act of the institution; and it is for the directors and not for the taxing officers of the Government to determine when this should be done. It does not follow, however, because undivided

profits are not surplus within the correct definition of that term or its statutory meaning, that they are not taxable under the present statute. If they have become capital by reason of the manner in which they have been appropriated and invested, the statute reaches them just as it would reach surplus without any other enumeration.

In subjecting all classes of bankers to taxation upon their capital the statute does not discriminate in favor of any class, and the term "capital" should be read as meaning the same thing in respect to a corporation that it does in respect to an individual banker. In other words, whatever comprises capital in the business of an individual banker likewise comprises capital in the business of a banking corporation for the purposes of the statute. Beyond question the profits left and used in the banker's business for a period of years, with the purpose of so leaving and using them indefinitely, become capital; the part derived from accumulated profits—that is, from profits not withdrawn or intended to be withdrawn for income, equally with the part originally invested, constitutes his capital.

The undivided profits of a banking corporation are understood to be profits which remain after the payment of the current dividends. They do not necessarily become capital because they are not immediately distributed to the stockholders, as where they are carried over after the dividend period for temporary purposes and not with a purpose of indefinite use in the business of the corporation. But the longer they are carried without any distribution and used in common with the other funds of the corporation, the stronger the presumption becomes that they have been mingled with those funds permanently. Presumably, when a dividend is declared the amount represents the profits made by the corporation during the past dividend period after reserving a sufficient fund to cover all off-sets or deductions likely to arise subsequently growing out of the transactions of that period. Unless this is so the dividend has not been earned. The reserved fund is not profits, but is merely earnings. The dividend, therefore, represents actual profits. If they have been earned the surplus or undivided profits are ordinarily used by the corporation as supplementary capital, unless they are distributed to the stockholders. When they are not distributed at the next dividend period a fair presumption is created that they are not retained for distribution, but are retained to feed the resources of the corporation.

When it appears, as it does in the present case, that the undivided profits have been carried over many dividend periods and have been accumulated "during a period of years," and have in the meantime been used in the business like the other assets of the corporation, the inference is irresistible that they have become an accretion to the capital. When this appears they are taxable, just as the accumulated profits of an individual are taxable when they have been merged with his capital. This, we think, is the meaning of the statute.

The argument for the plaintiff in error, if carried to its logical conclusion, would enable a banking corporation to escape the tax at its own volition merely by refraining from making any distinct appropriation of the undivided profits. The tax reaches whatever has become substantially a part of the capital of the corporation without regard to bookkeeping.

Upon the facts set forth in the complaint there is nothing to distinguish the undivided profits in controversy from the fund which many banking

associations carry for years under that name, and which, though not technically surplus or theoretically capital, are actually a part of the capital of the bank. There is nothing in the circumstance that they were considered by the bank as a fund applicable to extra dividends and to unexpected losses and to depreciation of assets, to distinguish such accumulations from the technical surplus fund of the bank. Extra dividends are not infrequently declared by banking corporations out of that fund, and that fund is, of course, applicable to the payment of losses; and so far as it serves to off-set depreciation of assets, it replaces diminished capital.

The judgment is affirmed, with costs. All concur.

NOTES OF CANADIAN CASES AFFECTING BANKERS.

[Edited by John Jennings, B. A., LL. B., Barrister, Toronto.]

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*MUNICIPAL CORPORATIONS—DEBENTURE—DEFECTIVE BY-LAW—REMEDIAL ENACTMENT.**

STANDARD LIFE ASSURANCE COMPANY vs. THE VILLAGE OF TWEED (Ontario Law Reports, Vol. 6, p. 653).

STATEMENT OF FACTS: This was an appeal upon a stated case, the facts being agreed upon by counsel. The facts agreed on were as follows:

By-law No. 15 was passed by the council of the Village of Tweed in April, 1892, for the purpose of issuing debentures to raise the sum of $5,000. The debentures issued under this by-law were purchased by the plaintiffs in January, 1893. All interest was paid on the said debentures as it fell due. The debentures were presented for payment on March 25, 1902, but payment was refused.

This action was commenced on July 20, 1903. The only question now raised was whether the debentures so issued were valid and binding on the corporation. Counsel for the Village of Tweed contended that as the by-law had not provided a fund for payment of principal, though it had provided a fund for payment of interest, there was no other method provided by statute for paying principal, and when it fell due the municipality had no legal way of paying it; and that the amendment contained in the act of 1903 could not validate debentures which had matured a year and a half before this act was passed, for it could not be construed retroactively.

JUDGMENT: (BOYD, C., and MACMAHON and TEETZEL, *JJ.*): The judgment of the court was delivered by Boyd, C. The Village of Tweed raised $5,000 to assist a local enterprise, and secured it by five debentures for $1,000 each, issued on August 9, 1892, and payable at the end of ten years with interest meanwhile half-yearly. All the interest has been punctually paid and the time has elapsed for the payment of the principal which fell due on March 25, 1902. The by-law makes no provision for the payment of the principal of these debentures, and unless the transaction has been validated by the Legislature, there exists no legal right to sue for the principal money on these debentures, which have no higher binding force than the imperfect by-law.

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* The effect of the remedial statute 3 Edw. VII. Ch. 18, Sec. 93, is to make one payment of interest validate the debenture in respect of which it is paid, and one payment of principal validate the series in respect to which it is paid, and that accordingly the debentures in question were validated.

The statute, 44 Vict. ch. 24, sec. 27 (O), which was carried into the Consolidated Municipal Act of 1883, 46 Vict. ch. 18 (O) as sec. 409, provides for validating any debenture theretofore issued under any by-law where the interest on such debentures and the principal of such thereof, "if any," as shall heretofore have fallen due, has been heretofore paid for the period of two years and more.

In the revision of 1887 this provision was (apparently improvidently) limited to debentures issued prior to February, 1883 (R. S. O. 1887, ch. 184, sec. 408), and the like limitation was carried forward into the next decennial revision R. S. O. 1897, ch. 223, sec. 432. On June 27, 1903, this section was repealed and a new provision substituted in these words: "Where in the case of any by-law heretofore or hereafter passed by a municipal council, the interest for one year or more on the debentures issued under such by-law and the principal of the matured debentures, 'if any,' has or shall have been paid by the municipality, the by-law and the debentures issued thereunder remaining unpaid shall be valid and binding. * * * (3 Edw. VII, ch. 18, sec. 93 [O], and *Ib.* ch. 19, sec. 432.)" It is to be borne in mind that municipal debentures are broadly of two classes: (1) in which the principal money is to be paid at the end of the fixed period with interest payable in the interval, and (2) in which the principal is payable by annual installments with proportionate interest. (Municipal Act, 1897, R. S. O. ch. 223, secs. 384, 386.)

The principle enunciated in the curative enactment appears to be that one payment of interest will validate the debenture in respect of which it is paid, and one payment of principal will validate the series in respect of which it is paid. It cannot be said that the original section of 1881 is happily or even lucidly expressed, and it has not been made plainer in the course of subsequent legislation. Yet I think the present section yields the net result I have endeavored to indicate, and with such sufficient clearness as may justify the court in so expounding it.

These debentures, therefore, come within the scope of this remedial enactment, and the order directing judgment for the amount should be affirmed with costs.

CONTRACT FOR CONSTRUCTION OF WORKS—DEDUCTIONS FOR PORTIONS OMITTED—PARTIAL CANCELLATION OF CONTRACT—ARTS. 1065, 1691, C. C.—APPEAL ON SPECIAL QUESTIONS—DEFERRED PAYMENT—COMPUTATION OF INTEREST—PAYMENTS IN ADVANCE—REBATES—POWERS OF APPELLATE COURT.

LA VILLE DE MAISONNEUVE vs. LA BANQUE PROVINCIALE DU CANADA (Supreme Court Reports, Vol. 33, p. 418).

All the facts and circumstances of the case will be found in the judgment of Mr. Justice ARMOUR, given below.

JUDGMENT: The defendant contracted with the firm of U. Pauze & Fils to construct certain drains and do certain grading for the defendant, and it was the agreement that December 15, 1899, should be taken to be the date of the completion of the works, and that the price fixed for the works should be paid for by the promissory note of the defendant payable in two years from that date. The price fixed for constructing the drains was $118,479.97, and for doing the grading $21,375. These sums did not represent the true cost of the works, but the true cost of the works with interest at six per cent. per

annum, compounded for the two years of the currency of the promissory note added to such true cost, and it was agreed that the defendant should be at liberty to pay at any time any part of the said note before the expiration of the two years, and should thereby become entitled to a rebate of such compound interest. The contractors completed the works, except a portion thereof, which they were directed by the defendant not to do, and they claimed in addition to the fixed price the sum of $2,708.94 for extra work, and the defendant claimed the sum of $2,442.50 as a deduction from the fixed price for the work which the contractors refrained from doing by direction of the defendant. Considerable sums of money were paid by the defendants in respect of the contract, as will be shown hereafter. In October, 1900, the contractors assigned their claims against the defendant to the plaintiff, who thereupon brought this action, demanding a promissory note dated December 15, 1899, payable in two years, for the balance due in respect of the contract, or in the alternative, demanding payment of such balance. The defendant pleaded that, after the commencement of the action, it offered the plaintiff a promissory note dated December 15, 1899, payable in two years for the sum of $22,819.56, and offered the attorneys of the plaintiff the sum of $58.75 for their costs, and it delivered to the prothonotary of the court the said promissory note.

The cause was tried in the superior court by ARCHIBALD, *J.*, who disallowed the claim of the defendant for the sum of $2,442.50 as a deduction for work not done, and found the offer of the defendant insufficient, that the balance due was $26,539.37, for which sum he ordered the defendant to deliver to the plaintiff its promissory note dated December 15, 1899, payable in two years, and in default he ordered the defendant to pay the said sum with interest at six per cent. per annum from December 15, 1901, and to pay the costs of the suit. The defendant thereupon appealed to the Court of King's Bench against the said judgment, on the ground of the disallowance of the claim for the deduction of $2,442.50, which court maintained the appeal with costs in favor of the appellant against the respondent, set aside and annulled the judgment which should have been rendered, declared that the sum due on the claim was $25,838.19, on account of which the respondent had received the promissory note of the appellant for $22,819.56 payable on December 15, 1901, leaving a balance of $3,018.63, and condemned the appellant to pay this balance of $3,018.63 to the respondent with interest from December 15, 1901, at the rate of six per cent. per annum, and costs of suit in the superior court; the whole with the reservation of all rights which the respondent might have under and in virtue of the promissory note for $22,819.56 against the appellant.

The defendant thereupon appealed to this court against the judgment of the Court of King's Bench so far as it found the balance due to be $25,838.19, and the plaintiff cross-appealed against the allowance of the deduction of $2,442.50.

The defendant contended that the Court of King's Bench should not have interfered with the computation made by the superior court of the balance due by the defendant, for it only appealed to that court by reason of the disallowance of the sum of $2,442.50, but they appealed against the judgment and having done so it was in the power of that court to give the judgment which the superior court ought to have given. Besides the allowance by the

Court of King's Bench of the deduction of $2,442.50 rendered a new computation necessary in order to ascertain the balance due by the defendant.

I am of the opinion that the allowance by the Court of King's Bench of the deduction of the sum of $2,442.50 was erroneous. The contract between the contractors and the defendant was for fixed sums for the entire works, and the contractors refrained from doing that portion of the works contracted for represented by the said sum, by the orders of the defendant, and the defendant was consequently not entitled to any deduction for the work so omitted to be done.

The law relied upon by the defendant and maintained by the Court of King's Bench as authority for allowing the deduction was article 1691 of the Civil Code:

"The owner may cancel the contract for the construction of a building or other works, at a fixed price, although the works have been begun, on indemnifying the workman for all his actual expenses and labor, and paying damages according to the circumstances of the case."

But this article clearly did not apply to this case, for there was no cancellation of the contract within the meaning of that article, which plainly means an entire cancellation of the whole contract. It does not give the owner power to cancel the contract as to one part of the work contracted for, and to maintain it as to another he must either cancel it in toto or not at all. The power is given to cancel the contract, but no power is given to cancel a part of it. No authority was cited for the construction put upon this article by the Court of King's Bench, and the opinion of the commentators upon it seem to me to be opposed to such a construction.

The judgment here sets out a detailed statement of the account and concludes:

The above statement shows the amount payable by the defendant on December 15, 1901, to be the sum of $27,417.66, from which time the plaintiff will be entitled to simple interest thereon until paid.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be promptly sent by mail.

Editor Bankers' Magazine: CLIFTON, Arizona, April 22, 1904.

SIR: On September 15, 1903, a mining company, gave an employee, A, a check drawn on G bank, and a couple of days later A reports to the mining company that he has lost the check, and asks that they have payment stopped, which they do on September 21, but in the meantime the check has been presented to a merchant in the town, who pays same and deposits with F bank, who clears the item with G on September 18, they not having at this time received order to stop payment. G returns the check at the end of the month with other cancelled vouchers to the company. Six months later, the mining company returns check to G, claiming forged endorsement, G goes to F, and they in turn to their customer, who refuses to make good on the grounds of negligence on the part of G, in not seeing that the check was paid when stop payment was ordered, and also negligence on the part of the company in not reporting the forged endorsement earlier, and thus giving them a chance to have recovered from party from whom they received check. You will understand that the company's account is verified each month with G, and that six months have elapsed since the check was cashed by G, and nearly that time since it was returned to the company as a cancelled voucher.

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Answer.—We infer that when the check was deposited in bank F it bore the indorsement of the depositor, and this indorsement amounted to a warranty that the prior indorsement was genuine. (Negotiable Instruments Law, Laws Arizona, secs. 65, 66.) The liability upon such warranty is absolute, and no negligence upon the part of any subsequent holder in taking the instrument will relieve the indorser. He is, therefore, liable to bank F, upon his indorsement, and as the position of that bank has not been changed to its injury by the delay, it cannot refuse to refund to bank G the amount received on the check. (Canal Bank vs. Bank of Albany, 1 Hill, 287.) And so, as bank G has suffered no injury by the delay of the mining company, the latter is not estopped to dispute the validity of the first indorsement, and demand that the amount so improperly charged against its account be cancelled. As to the stop-order, that was a matter merely between the mining company and bank G, and is not available to the merchant when claim is made upon him for the breach of his warranty.

Editor Banker's Magazine: CHICAGO, Ill, April 26, 1904.

SIR: If a National bank makes loans on real estate and sells them without recourse to it to outside investors, acting in the capacity of a broker, is there any possibility of the validity of the mortgage being attacked by the maker of the loan, because of the fact that the National Banking Law prohibits the banks making loans on real estate?

Local counsel takes the stand that the only one who can raise any objection to this method of doing business would be the Comptroller of the Currency, and so far as the borrower is concerned, he having had value received, could raise no doubt or question as to the validity of the mortgage given by him. BANKER.

Answer.—The law is well settled by the decisions of the Supreme Court of the United States, that while a National bank is forbidden to make loans upon real estate security, this point cannot be raised against the bank when it seeks to foreclose a mortgage or otherwise satisfy the debt out of the property. No one but the Government can be heard to complain that the bank has exceeded its powers, and the only penalty which it incurs is a liability to forfeiture of its franchise. (National Bank vs. Matthews, 98 U. S. 621; Reynolds vs. Crawfordsville Bank, 112 U. S. 405.) As the borrower could not set up such a defense against the bank itself, then clearly he could not do so as against the bank's assignee. We believe, therefore, that in the case stated by you, there would be no legal difficulty in enforcing the mortgage.

But we think that if the bank should engage in such business to any extent the Comptroller of the Currency would order it to discontinue the practice, for it has always been the custom of the Comptroller's office to enforce compliance with the inhibition against real estate transactions.

Editor Bankers' Magazine: TUSCALOOSA, Ala., April 12, 1904.

SIR: (1) Is a bank justified in paying a check that is dated ahead? (2) In extending a promissory note that has two or more makers, does the receiving of the interest from one of the parties before the extension is agreed to by the other parties, or signed by them, operate to release the other makers of the note? ALABAMA.

Answer.—(1) The bank has no authority to pay such a check until the day of its date. A post-dated check is payable on demand on or after the day on which it purports to bear date. (Mohawk Bank vs. Broderick, 10 Wend. 304, 307; Gough vs. Staats, 13 Wend. 549.) In Salter vs. Burt (20 Wend. 205), a check drawn on August 9, but dated on the 21st of that month,

was presented for payment on the 20th, the 21st being Sunday. The court held that the presentment was made before the instrument became payable.

(2) If the makers are all principal debtors, such receipt of interest by the holder would not affect their liability, even though it be received in payment of future interest; for each being obligated absolutely to pay the entire sum, cannot be injured thereby. But if any of the makers are merely sureties for the other, then an agreement by the holder to extend the time of payment, and the actual payment of interest in advance, would discharge such of them as are sureties and do not assent. (Wakefield Bank vs. Truesdell, 55 Barb. [N. Y.] 602; Hollingsworth vs. Tomlinson, 108 N. C. 245; Grayson's Appeal, 108 Pa. St. 581; Scott vs. Saffold, 37 Ga. 384; Dunham vs. Downer, 31 Vt. 249.)

Editor Bankers' Magazine: NUNDA, Ill., April 29, 1904.

SIR: Mr. Grantor has sold a piece of real estate for the sum of $1,000. The deal is to be consummated on or before June 1 next at any time Mr. Grantee may pay over the purchase price named. Mr. Grantor is in poor health and wishes to execute a deed to the premises in question and leave same with us with instructions to deliver same to Mr. Grantee if he shall make the payment agreed upon so that in the event of the death of Mr. Grantor before June 1 the deal could be consummated without any delay or bother by our receiving the money and delivering the deed.

Will you kindly advise us whether we would have the right to deliver the deed after Grantor's death. Would it make any difference if Grantor and Grantee both gave us instructions in the matter? Is the death of either of the parties a bar to the delivery of a deed in escrow? CASHIER.

Answer.—"It is a well-settled rule with respect to an escrow, that if either of the parties dies before the condition is performed, and afterwards the condition is performed, the deed is good and will take effect from the first delivery." (Ruggles vs. Lawson, 13 Johnson [N. Y.] 285.) In Periman's Case (5 Coke, 84) Lord Coke said: "If a man deliver a writing as an escrow, to be his deed upon certain conditions performed, and afterwards the obligor or obligee dieth, and afterwards the condition is performed, the deed is good, for there was *traditio, inchoata* in the life of the parties *sed postea consummata existens* by the performance of the condition taketh his effect by force of the first delivery, without any new delivery." In Webster vs. Kings County Trust Co. (145 N. Y. 275) a deed was tendered upon the trial which was executed by one Agar and others, but while the case was pending upon appeal Agar died. The Court of Appeals of New York said: "The deed tendered on the trial and placed under the control of the court in the hands of the clerk, duly executed and acknowledged by Agar and the other plaintiffs, was a good delivery in escrow, which was not defeated by his subsequent death." In Bostwick vs. McEvoy (62 Cal. 496) the Supreme Court of California stated the rule thus: "But when the condition on which an original delivery made in the lifetime of a party transpires, the conditional delivery becomes absolute, and the absolute delivery takes effect against the contracting parties from the date of the delivery of the contracts as escrows, notwithstanding the death of one of the contractors before the happening of the condition." In the case stated in the inquiry, therefore, the bank would act properly in delivering the deed to the grantee, notwithstanding the death of the grantor.

* JOHN W. CASTLES.

THE NEWLY-ELECTED PRESIDENT OF THE GUARANTY TRUST COMPANY OF NEW YORK.

After having served several months as First Vice-President of the Guaranty Trust Company, of New York, Mr. John W. Castles was, on April 13, unanimously elected President of the company to succeed Walter G. Oakman, resigned.

Prior to his coming to New York to become Vice-President of the Guaranty Trust Company, about the first of the present year, Mr. Castles was President of the Hibernia Bank and Trust Company, of New Orleans. He began his business life in Texas as a drug clerk, and worked his way up until he became a member of the firm of Cameron, Castles & Story, of Waco, Texas. In 1890 he went to New Orleans, La., as managing partner of the wholesale grocery firm of Cameron & Castles, out of which his first banking connection developed.

When Mr. Castles was elected President of the Hibernia National Bank, of New Orleans, some ten or twelve years since, it had only moderate patronage and resources, but under his direction the business of the bank grew rapidly. In 1902, having absorbed the old Union National Bank, and the Southern Trust and Banking Company, the Hibernia National surrendered its national charter and reorganized under the Louisiana State Banking Law as the Hibernia Bank and Trust Company. Thus reorganized, its progress under the management of Mr. Castles was striking. It now has capital and surplus aggregating $3,102,500; deposits, $14,000,000 and total resources in excess of $17,000,000. The company is not only the largest institution of its kind in New Orleans, but in the South as well. A new building, the tallest in the Crescent City, was recently erected for the company at a cost of about $1,000,000. There is a considerable New York interest represented in the Hibernia Bank and Trust Company, and the record of successful management made by Mr. Castles naturally attracted attention.

The wisdom of drawing to the city men who have shown exceptional financial capacity in managing banks or trust companies in other parts of the country is being recognized more and more. New York has large business relations with all sections of the United States, and with the South especially. As the South is now progressing more rapidly and substantially than ever before, those relations are bound to grow in importance.

The Guaranty Trust Company is already one of the large and successful trust companies of the city, having $2,000,000 capital, $5,000,000 surplus, and $43,000,000 deposits. The company was designated as the depositary of the civil government of the Philippine Islands, and has acted in that capacity for some time.

The Guaranty Trust Company is one of the oldest and strongest trust companies in New York. It is owned and controlled by the Mutual Life Insurance Company, which is the oldest insurance company in America, and also the largest financial institution in this part of the country and probably in the world, its assets aggregating over $401,000,000.

The officers and executive committee of the Guaranty Trust Company are as follows:

* A portrait of Mr. Castles is presented as a frontispiece in this number of the MAGAZINE.

Officers: John W. Castles, President; Geo. R. Turnbull, Vice-President; Oscar L. Gubelman, Vice-President; John Gault, Manager Foreign Dept.; W. C. Edwards, Treasurer; E. C. Hebbard, Secretary; F. C. Harriman, Assistant Treasurer; R. C. Newton, Trust Officer.

Executive Committee: Richard A. McCurdy, Walter G. Oakman, Frederic Cromwell, G. G. Haven, R. Somers Hayes, Adrian Iselin, Jr., James N. Jarvie, Augustus D. Juilliard, John W. Castles.

The success which Mr. Castles has already won as a bank and trust company officer justifies the prediction that his management will result in the continued growth and prosperity of the company to whose chief executive office he has just been called.

NOTICES OF NEW BOOKS.

WAREHOUSE LAWS AND DECISIONS.

Under this title there has been lately issued from the press of the Banks Law Publishing Company of New York a 950 page volume containing the warehouse laws of all the States and Territories and a complete digest of the decisions of all State and Federal courts affecting the value of the warehouseman's receipts, both negotiable and non-negotiable, and his legal relationship to the business world.

The work appears to have been compiled with great care and at considerable expense, for the American Warehousemen's Association by Mr. Barry Mohun, of the District of Columbia bar. It shows evidence of a thorough knowledge of the subject and an exhaustive use of the material to be found in the great law libraries of the National Capital.

The volume, while primarily brought into existence for the use and benefit of the warehousemen of the country, ought to be of equal importance to the legal fraternity and to those banking institutions that make, or contemplate making, a business of loaning money upon receipts for warehouse goods, or that take silver-plate and valuables upon deposit for their customers, as it not only furnishes them the laws, in handy form, under which they operate, but also, and what is more important, a full digest of court decisions that sets forth authoritatively the rights and responsibilities of the banker, the warehouseman and the owner of the goods under the warehouse receipt in the first case, and the responsibilities of the banker to the owner in the second.

It is understood that the American Warehousemen's Association has had this book issued as a first step toward the formulation of uniform warehouse laws for presentation to the various Legislatures to replace the illy-constructed and conflicting statutes now extant. This is certainly a commendable undertaking, pointing the way to a higher civic usefulness of commercial associations, that will, if generally adhered to, give our nation a system of legal procedure consistent throughout the States and Territories.

From the fact that it is the only publication treating specifically upon the subject, the volume should be of great value to all that have to do, either directly or indirectly, with the business of warehousing. The book has a full and complete index, and is in matter of presswork, binding and general make-up, creditable to all concerned in its publication.

INDIANA BANKERS' ASSOCIATION.—Through the courtesy of Secretary Andrew Smith, THE BANKERS' MAGAZINE has received a copy of the Proceedings of the Seventh Annual Convention of the Indiana Bankers' Association. It is an exceptionally attractive publication in point of typography, paper and illustrations. The addresses, reports, etc., are also of a high order of merit, and indicate the live and progressive character of the Indiana Bankers' Association.

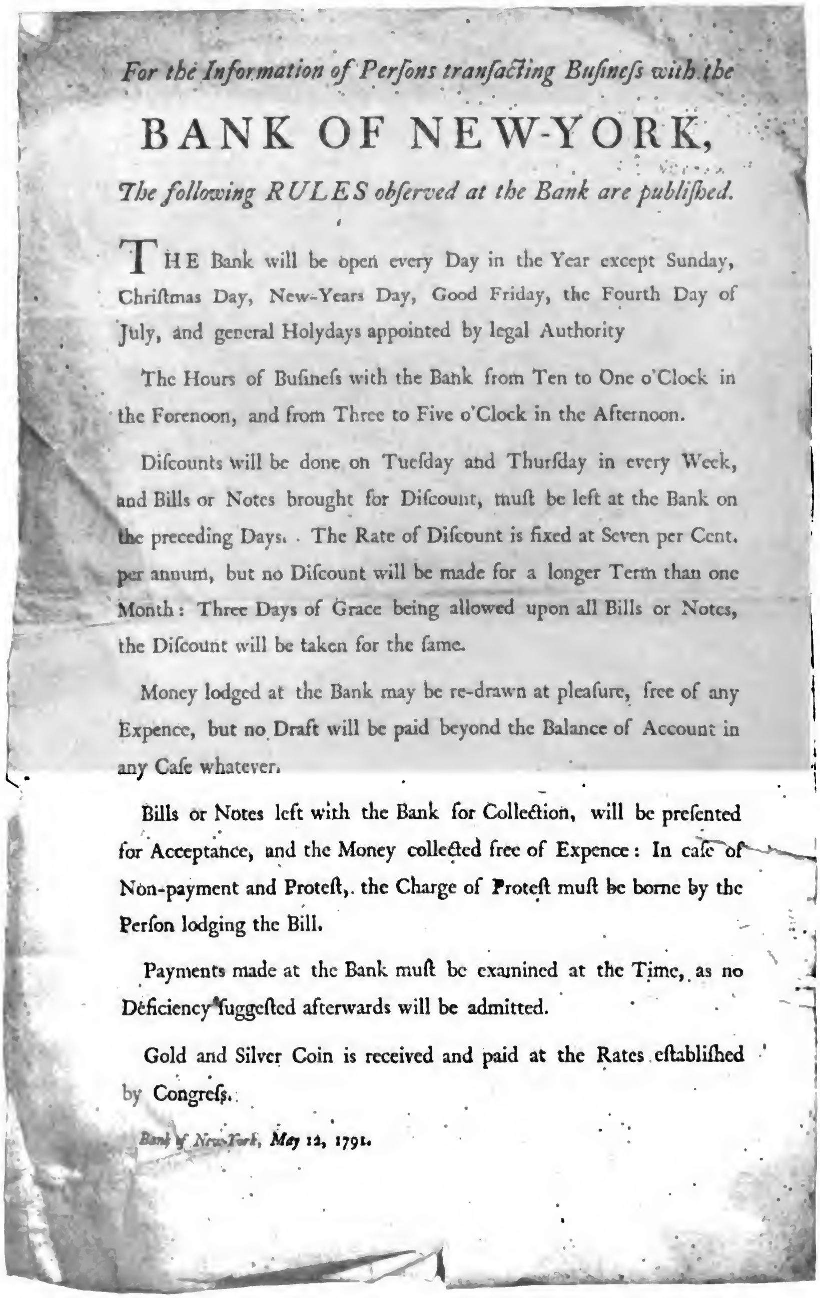
THE BANK OF NEW YORK NATIONAL BANKING ASSOCIATION.

ONE HUNDRED AND TWENTIETH ANNIVERSARY OF THE FOUNDING OF THE INSTITUTION.

On March 15 the Bank of New York reached the 120th anniversary of its organization, and though the occasion was not marked by any special ceremony, such a unique distinction certainly calls for more than a passing mention. It is to be

First Secretary of the Treasury.
He drew the articles of association of the Bank of New York.

regretted that several of the historic banks of the country have of late lost their identity by mergers with other younger institutions. This bank has not only survived but has maintained its original title, while its business has grown steadily with the increasing trade of the city. The bank has been from the first a profitable



For the Information of Perſons tranſacting Buſineſs with the

BANK OF NEW-YORK,

The following RULES obſerved at the Bank are publiſhed.

THE Bank will be open every Day in the Year except Sunday, Chriſtmas Day, New-Years Day, Good Friday, the Fourth Day of July, and general Holydays appointed by legal Authority

The Hours of Buſineſs with the Bank from Ten to One o'Clock in the Forenoon, and from Three to Five o'Clock in the Afternoon.

Diſcounts will be done on Tueſday and Thurſday in every Week, and Bills or Notes brought for Diſcount, muſt be left at the Bank on the preceding Days. The Rate of Diſcount is fixed at Seven per Cent. per annum, but no Diſcount will be made for a longer Term than one Month: Three Days of Grace being allowed upon all Bills or Notes, the Diſcount will be taken for the ſame.

Money lodged at the Bank may be re-drawn at pleaſure, free of any Expence, but no Draft will be paid beyond the Balance of Account in any Caſe whatever.

Bills or Notes left with the Bank for Collection, will be preſented for Acceptance, and the Money collected free of Expence: In caſe of Non-payment and Proteſt, the Charge of Proteſt muſt be borne by the Perſon lodging the Bill.

Payments made at the Bank muſt be examined at the Time, as no Deficiency ſuggeſted afterwards will be admitted.

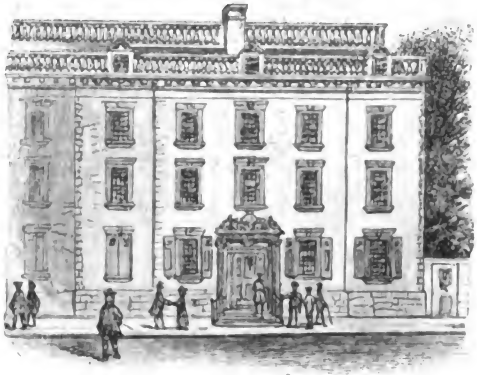
Gold and Silver Coin is received and paid at the Rates eſtabliſhed by Congreſs.

Bank of New-York, May 12, 1791.

RULES OF THE BANK OF NEW YORK IN 1791 FOR PARTIES TRANSACTING BUSINESS WITH THE BANK.

enterprise for the shareholders, and has rendered the highest service to business interests as well as to the Government at critical times. It will be impossible to trace in detail the long history of the bank, but the following outline of its career will be found interesting.

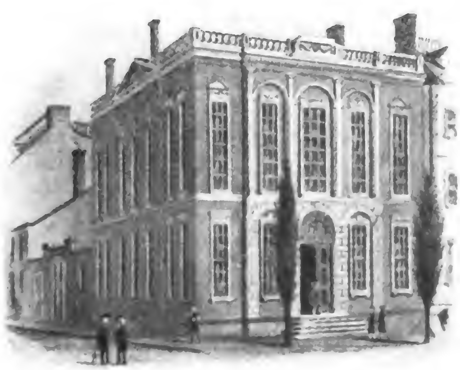
The Bank of New York was organized March 15, 1784, and is the oldest bank in New York State, and with one exception the oldest in the country. The constitution of the bank was written by Alexander Hamilton, who took an active part in the organization of the bank, and was one of the first board of directors. General Andrew McDougall was the first President, and William Seton the first Cashier.



THE WALTON HOUSE, LOCATED IN FRANKLIN SQUARE, PEARL STREET, IN WHICH THE BANK OF NEW YORK COMMENCED BUSINESS JUNE 9, 1784.

The currency of the country was very unsettled at the close of the Revolutionary War, and banking facilities were entirely lacking, so that there was a great demand for the establishment of a bank on a properly managed basis.

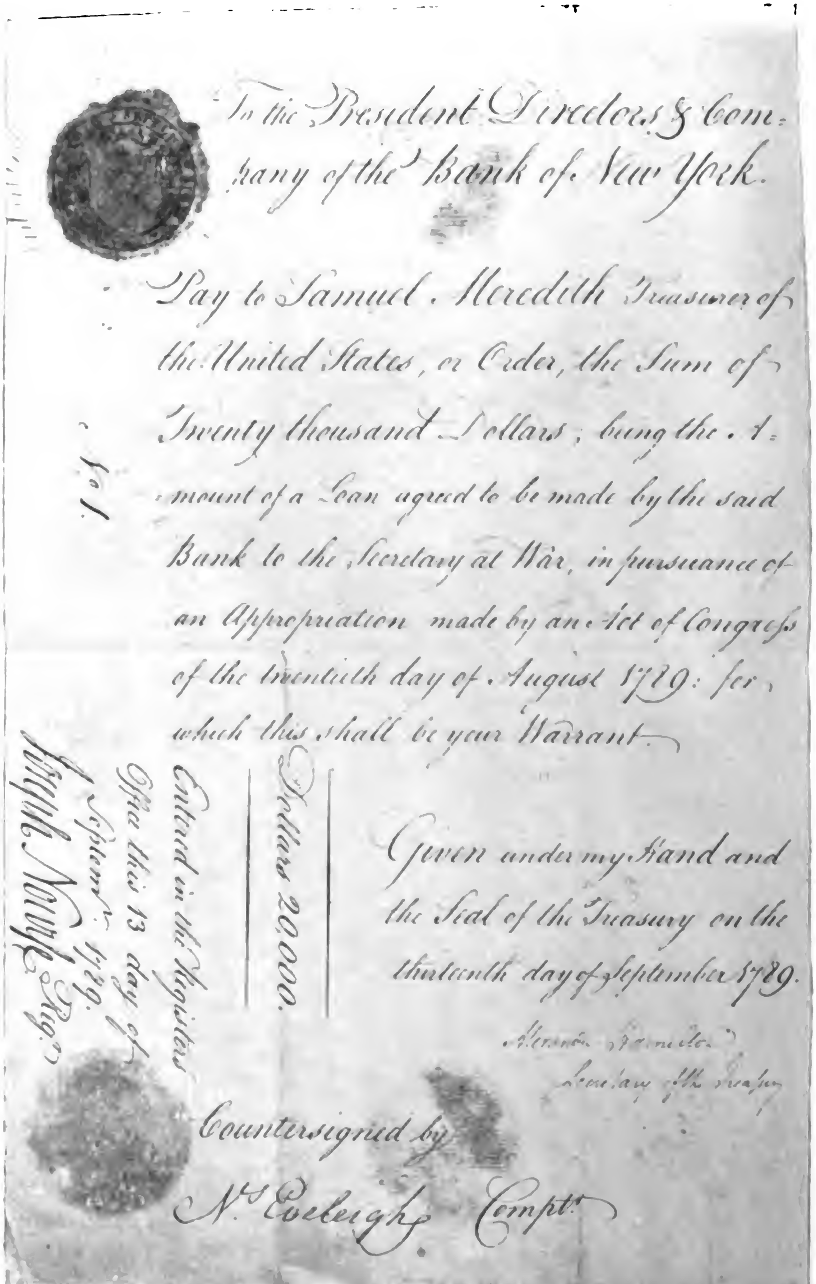
While the dollar was used as a unit of value, there was no such coin in existence. The circulating medium consisted of the coins of foreign countries. In 1786 the Legislature of the State of New York authorized the issue of a small amount of paper money, and to accommodate this currency a special set of books was started by the Bank of New York in June, 1787, for the use of clients wishing to deposit and draw that form of money. The books of account for this form of issue, strangely enough, were kept in sterling, and were in use for several years. This paper money was issued on the basis of eight shillings to the dollar, and the "York Shilling" of twelve and one-half cents thus became well known as a measure of value.



THE BANK OF NEW YORK, 48 WALL STREET, PRESENT LOCATION. CORNER STONE LAID JUNE 22, 1797.

The Federal Constitution, which was adopted in 1787, prohibited the States from issuing money, so that this currency was the last issued by the State of New York.

The Bank of New York started under the most favorable auspices, and its success was pronounced from the beginning. The question of politics entered into the matter of obtaining a charter, and it was not until March 21, 1791, that the charter of the bank was signed by the Governor of the State. Meanwhile, the bank, having commenced business on June 9, 1784, had developed a large and profitable business.



To the President Directors & Company of the Bank of New York.

Pay to Samuel Meredith Treasurer of the United States, or Order, the Sum of Twenty thousand Dollars; being the Amount of a Loan agreed to be made by the said Bank to the Secretary at War, in pursuance of an Appropriation made by an Act of Congress of the twentieth day of August 1789: for which this shall be your Warrant.

No. 1

Dollars 20,000.

Entered in the Registers Office this 13 day of Septemr 1789.
Joseph Nourse Regr

Given under my Hand and the Seal of the Treasury on the thirteenth day of September 1789.

Alexander Hamilton
Secretary of the Treasury

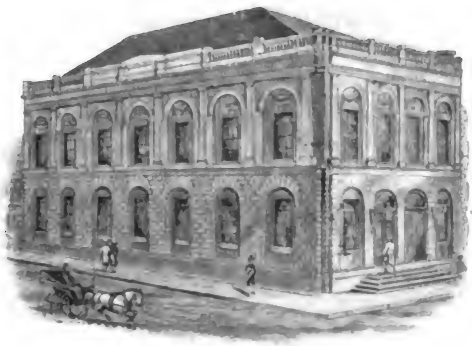
Countersigned by
N. Eveleigh Compt.

United States Treasury Draft on the Bank of New York, Signed by Alexander Hamilton, Secretary of The Treasury.

In 1794 the bank of New York loaned the United States Government $200,000, being the first Government loan ever negotiated by the United States.

The bank has made very few changes of location. Originally at No. 67 St. George's Square—afterwards Franklin Square—it was moved three years later to No. 11 Hanover Square.

In 1797 a building was begun on the present location—corner of Wall and William streets—which was opened for business April 23, 1798. Owing to the prevalence of yellow fever in the lower part of New York city, the bank moved, temporarily, on September 23, 1799, to a building in Greenwich Village, where it remained until the following November.



THE BANK OF NEW YORK, 1834, 48 WALL STREET.

In August, 1822, a recurrence of the epidemic caused another removal to Greenwich Village, where the bank remained for a short time.

The Bank of New York was active in receiving subscriptions for Government loans for the expenses incurred by the War of 1812.

In the fall of 1860, when it became evident that a financial crisis was near at hand, the first of the loan committees of the associated banks of New York was formed. The Vice-President of the Bank of New York was custodian of the securities entrusted to the committee. This committee and its successor continued until May 1, 1862, and were of great service to the Government in the financial arrangements necessary at the commencement of the Civil War. In June, 1864, the Bank of New York owned upwards of $3,000,000 of United States bonds, State and city securities.

THE BANK OF NEW YORK, 1857, 48 WALL STREET.

In the same year, at the request of many merchants, the Bank of New York opened accounts in gold for the convenience of importers having gold payments to make to the Government, and was the first bank to open such accounts.

In 1865 the Bank of New York took out a National bank charter, under the extension of which it is working at present. At that time it was thought that the National banks would be designated numerically in their various cities, but it was found that the old banks were reluctant to surrender their distinctive titles. The Bank of New York finally settled the matter for itself by

taking the official title of "The Bank of New York National Banking Association," thus preserving its old title, and at the same time indicating the fact that it was operating under the National Bank Act.

The present building was erected in 1857 and was enlarged in 1879.

Since the Bank of New York N. B. A. began business in 1784, it has but once passed its semi-annual dividend, and that was in 1837, when all banks were compelled to do so by a State law, owing to the financial crisis which was prevailing at the time. The next dividend was for double the usual amount, thus preventing any loss to the stockholders.

THE BANK OF NEW YORK, N. B. A., 1879, 48 WALL STREET. PRESENT BUILDING.

The total dividends paid, up to January 1, 1904, amounted to $16,991,694.75, being 1,109½ per cent. of the capital stock.

Not only, however, has the Bank of New York had a very long and honorable history, but it is to-day one of the strong and progressive banks of the country. Its capital is $2,000,000; net profits, $2,536,000, and deposits about $18,000,000.

Following is a list of the officers and directors of the bank:

Officers: President, Herbert L. Griggs; Vice-President, John L. Riker; Cashier, Charles Olney; Assistant Cashiers, Geo. P. Hall and Joseph Andrews.

Directors: Gustav Amsinck (G. Amsinck & Co.), merchant; John Crosby Brown (Brown Bros. & Co.), banker; Daniel A. Davis (formerly of Deering, Milliken & Co.), merchant; Herbert L. Griggs, President; Anson W. Hard (Hard & Rand), merchant; Charles D. Leverich (C. D. Leverich & Bro.), broker; John G. McCullough, Governor of Vermont; Gordon Macdonald (Speyer & Co.), banker; W. J. Matheson (W. J. Matheson & Co., Ltd.), dye stuffs; D. O. Mills, capitalist; William A. Read (Vermilye & Co.), banker; John L. Riker (J. L. & D. S. Riker); merchant; Geo. L. Rives (Olin & Rives), lawyer; Henry C. Swords (President Real Estate Trust Co.), banker; J. Kennedy Tod (J. Kennedy Tod & Co.) banker.

As a part of the New York State exhibit in the Educational Building at the Louisiana Purchase Exposition at St. Louis, the Bank of New York National Banking Association shows the following:

Ledger of the Bank of New York in 1784, Aaron Burr's account; water color of the Bank of New York Building in 1797 at 48 Wall street, the present location; certificate of stock of the Bank of New York, dated May 31, 1792; facsimile page of checks of Aaron Burr, Gulian Verplanck, Marquis de Talleyrand; old checks—Saml. Deloplaine dated May 3, 1794, Capt. Thos. Smith dated July 11, 1797, Isaac Bronner dated April 23, 1797; two facsimile pages old Bank of New York notes; old Bank of New York note, 1818; form used in 1795 to notify parties when their note was due; rules of the Bank of New York in 1791 for parties transacting business with the bank; United States Treasury draft on the Bank of New York signed by Alex. Hamilton, Sec. of Treasury, dated Sept. 13, 1789; letters of Alexander Hamilton; copy of act to incorporate the Bank of New York in 1791; form for outside of folding cabinet.

A STUDY OF DEPOSIT SLIPS.

[By CHARLES W. REIHL, Philadelphia, Pa.]

The one thing in bank work that is usually supposed to be about the same everywhere is the deposit ticket, as it is sometimes called. But the supposition is not correct, for as in many lines of bank work there is quite a difference in different parts of the country, so it is in this, and there are some interesting varieties.

I did not imagine this to be the case until I was studying the various methods of bank work for the completion of the system that was explained in the January issue of the MAGAZINE. When the idea of the deposit ticket with the receipt attached was perfected it was with the thought that all deposit tickets were about the same in form and arrangement. Not satisfied with the thought that they were the same everywhere, I determined to confirm or disprove the thought. So I sent to quite a number of the prominent banks in the larger cities throughout the country for copies of their deposit slips for comparison. The result was that my impression that they were all about the same was not confirmed, but was disproved. But I did not get any deposit slips to which the idea of the receipt form attachment could not be added, if desired.

This collection of deposit slips has been interesting to those who have seen it, and no doubt would be to all bankers. I have therefore selected for this study some from the collection that show the greatest variety in ruling and general make-up. Some of them are very much alike, but they are shown to give an idea of the kind of slips used in the different cities.

Some of the banks whose slips are shown here have done away with the deposit book, except for the purpose of receipt—when the depositor desires it for that purpose—but the book is not settled. The settlement sheet, as shown in the January article, makes the deposit or pass book practically useless, except for those who desire it for their receipt.

The receipt form printed on the deposit slips would be a better receipt than the entry in the pass book. Besides being better it would be cheaper, but the deposit books do not cost so much as to make this a good reason to stop using them. The good reason for doing away with the use of the book is that the settlement sheet, with the deposit ticket with the receipt form attached, is so much better.

There is not much to be said about the different slips, for they will speak for themselves to the banker. In the arrangement of the order in which they are here presented we start with New York and work our way westward until we reach San Francisco.

It is not the purpose of this article to make any suggestions as to which is the best slip to use. Local conditions, methods of bank work, the artistic taste of the officers and the requirements of the depositors, must control such matters. But something here presented might suggest an improvement for or addition to the form of slips now in use in some banks.

Some depositors object to banks that require too much listing on the deposit slips. Some of the slips here shown have place for amounts only—no place to write name of bank, town, city or State, nor whether foreign or domestic item is deposited. Some of the slips have place for local checks, New York checks, and items on other points, and in these columns only the amounts are to be placed.

In some banks where depositors have few or many checks of the same amount, regardless of place where payable, they allow their depositors to list them on the slips as so many at so much. For example, if they have ten checks at $5 each, two

payable in New York, two in Chicago, one in Cleveland, one in Indianapolis, two in St. Louis, one in Denver and one in Los Angeles, they would list them on the slip as ten at $5 equals $50, without writing name of bank, city or State. This is a great convenience to concerns that have many checks of the same amount.

Every year depositors are growing more and more to consider checks and drafts as cash, the same as National bank currency is cash, and as they list the currency on the deposit slips so they, or many of them, will want to list the checks.

The deposit slip with the receipt attached being new to many and appropriate to reproduce here for comparison, it will be found at the end of the tickets illustrated. Including it there are twenty copies of deposit tickets shown. Some of the tickets—or slips—are small, but in all cases the banks furnish them in two or three lengths of the same kind, or a different kind large enough to meet the needs of those having many items to deposit. Of course the tickets vary greatly in size, and to save space it has been found necessary to present them in reduced form.

DEPOSITED BY

IN

THE FOURTH NATIONAL BANK

OF THE CITY OF NEW YORK.

New York, 190

	DOLLARS.	CENTS.
Bills,		
Check,		
"		
"		
"		
"		
"		

Dealers Will Please Assort Checks According to Form Below.

1. Charge of **1-10 of 1 per cent.** on items on:
Connecticut, Delaware, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, District of Columbia, Vermont, Virginia, West Virginia, Wisconsin.
2. Charge of **1-4 of 1 per cent.** on items on:
Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Indian Territory, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming, and Canada.
3. No Charge less than **10 cents.**
4. No Charge on:
Boston, Philadelphia, Baltimore, Providence, Newark, Albany and Troy.

DEPOSITED BY

IN THE

Consolidated National Bank

OF NEW YORK

190

	DOLLARS	CENTS
Bills		
Gold		
Silver		
Checks, (enter singly)		

DEPOSITED BY

190

IN THE

AMERICAN EXCHANGE NATIONAL BANK

For Checks and Drafts on Other Points Than ☞			Checks on New York City, Brooklyn, Jersey City, Bayonne, Hoboken, and Staten Island.		
			Gold,		
			Bills,		
			Checks,		
Total Footing					

STATE NATIONAL BANK OF BOSTON.

Deposited by

FOR CREDIT, SUBJECT TO PAYMENT.

Boston, 190

DEPOSITORS WILL PLEASE SPECIFY THE BOSTON BANKS OR THE PLACES ON WHICH THE CHECKS ARE DRAWN.

	DOLLS.	CTS.
BILLS,		
COIN,		
CHECKS ON		

National Shawmut Bank

DEPOSITED BY

....

BOSTON, ... 190

Checks and Cash Items are credited only subject to payment. This Bank in collecting paper received from its Customers, whether the same be placed to their credit or not, acts only as their agent and assumes no responsibility except to exercise the same diligence it uses in collecting its own paper.

Please state name of Bank on which Boston Checks are drawn; all others name of place only, and put on initials when not endorsed.

Bills (in a strap,)		
Specie, ...		
Check on		
Bank,		
"		
"		

Form A.

DEPOSITED WITH

SECOND NATIONAL BANK,

—BY—

....

Pittsburg, Pa. 190

Bank Notes,		
Small Bills,		
Coin,		
Checks,		
Total, $		

Write amount of each Check and name of Bank on which it is drawn

DEPOSITED IN

The Fourth Street National Bank

OF PHILADELPHIA,

By ....

.... 190

	Dollars	Cents
NOTES,		
NOTES, 1's and 2's,		
SPECIE,		
CHECKS, as follows: In Philadelphia, name the Bank; out of town, name the place.		
TOTAL,		

The Bankers National Bank

Cleveland, O. ....

DEPOSITED BY

....

	DOLLARS	CENTS	DOLLARS	CENTS
Currency,				
Gold,				
Silver				
Checks.				

DEPOSITED

WITH THE

Citizens' National Bank of Washington City

By ....

.............................., *1903*

Enter all Checks Separately with Name of Bank Drawn On

	Dollars.	Cts.
NOTES, - - - - - - -		
SPECIE, - - - - - - -		
Checks, as follows: - - (Enter Checks Singly.)		
Total, - - - -		

See that All Checks and Drafts are Endorsed.

National La Fayette Bank.

When CITY CHECKS are deposited, name the Banks on which they are drawn. All other CHECKS or DRAFTS to be listed by name of the STATE only

Cincinnati .... *1903.*

Currency,		
Gold,		
Silver,		
Check,		
"		
"		

Depositor's Name:

DEPOSITED WITH

The National La Fayette Bank,

By ____________________

Cincinnati, ____________________

CITY	City of New York	FOREIGN

THE BANKERS NATIONAL BANK OF CHICAGO.

DEPOSITED FOR ACCOUNT OF____________________

____________________190 .

CLEARING HOUSE CHECKS.	NEW YORK.	Checks on this Bank, P. O. Orders and all Items outside of Chicago, Coin and Currency.
		C'y
		G.
		S.

THE BANKERS NATIONAL BANK,
MARQUETTE BLDG.,
CHICAGO, ILLS.

Deposited for Account of

____________________190__

CHECKS ON NEW YORK	CHECKS ON CHICAGO BANKS	CHECKS AND DRAFTS ON OTHER TOWNS AND CITIES

Currency
Gold
Silver

FIRST NATIONAL BANK
OF CHICAGO

Deposited for account of

____________________*190*

P. F. PETTIBONE & CO., BANK STATIONERS, CHICAGO.

Currency, ...
Gold, ...

CHECKS ON THIS BANK	CHECKS ON OTHER CHICAGO BANKS.	Checks and Drafts on Other Towns and Cities.

CHECKS ON OTHER CHICAGO BANKS
DEPOSITED WITH
FIRST NATIONAL BANK,
CHICAGO.
FOR ACCOUNT OF

....

....*1903.*

Total forw'rd		

Form 494.

FIRST NATIONAL BANK
OF CHICAGO.

Deposited for account of

....

....*1903.*

Checks on this bank.	Checks and drafts on New York City under $1,000.	Checks and drafts on other towns and cities.
	Total Country Checks	
	" N. Y. "	
	" 1st Nat'l "	
	" City "	
	Currency . . .	
	Gold	

Form 142.

THE NATIONAL BANK OF COMMERCE
IN ST. LOUIS.

ST. LOUIS, ... 190 ..

DEPOSITED BY

	DOLLARS.	CTS.	DOLLARS.	CTS.
Currency				
Gold				
Silver				
Checks				

DEPOSITED WITH

National Bank of Commerce,
KANSAS CITY, MO.

BY ....

.... 190..

	DOLLARS	CTS.
Currency		
Gold		
Silver		
Checks as follows		

First National Bank.

Denver, Colo., ... 190

DEPOSITED BY

	Dollars.	Cents.
CURRENCY		
GOLD		
SILVER		
CHECKS		
"		
"		
"		
"		
"		
"		
"		
"		
"		
"		
"		
"		
TOTAL		

DEPOSITED BY

WITH

THE FIRST NATIONAL BANK

SAN FRANCISCO, ... 190..

	DOLLARS.	CENTS
Coin,		
Currency,		
Checks,		

PLEASE SPECIFY THE BANKS ON WHICH CHECKS ARE DRAWN

DEPOSITED WITH

THE A —— NATIONAL BANK

By Goodman & Sons

Oct. 30 1903

	DOLLARS.	CENTS.
NOTES, 5's and upwards,	100	
NOTES, 1's and 2's,	25	
SILVER,		
GOLD,	20	
CHECKS, {in Philad'a, name the Bank; out of town, name place.}		
First Nat	150	75
Phila Nat	750	50
4th St "	339	40
TOTAL,	1385	65

RECEIVED A- NAT'L BANK OCT 30 1903

RECEIPT

Goodman & Sons

$ 1385 | 65

DEPOSITED WITH THE

A —— NATIONAL BANK

Philadelphia, Pa.

Date Oct. 30, 1903

Pirie MacDonald, Phot'gr of Men, N. Y.

WM. B. JOYCE

President National Surety Co., New York

WILLIAM B. JOYCE.

PRESIDENT OF THE NATIONAL SURETY COMPANY, OF NEW YORK.

Mr. Joyce belongs to that class of Western young men—already large, and constantly growing in number—who have won conspicuous success in the East as managing officers of banks and other financial institutions. His experience, preceding his recent election as President of the National Surety Company, of New York, had been for twelve years as manager of the company's Northwestern branch, with headquarters at Chicago and St. Paul. His capacity for surety work was shown by the record of small losses made under his management in this territory. Not only did he show exceptional ability in confining the risks to the safer lines, but by his energy, intelligence and experience he added a large amount of valuable business to the company's books. Naturally, the capabilities thus displayed attracted the attention of the large financial interests backing the National Surety Company, and, when opportunity offered, secured deserved recognition.

Mr. Joyce is interested in several Western banks and trust companies, and is a heavy stockholder in the National Surety Company. It may be mentioned that prior to his election as President of this company, the stock had sold at eighty-five and that it has since brought 125.

The position of the company is strong as is shown by a late report of the Chief Examiner of the Insurance Department of the State of New York, which has official supervision of the surety companies. The examination referred to showed assets of $1,627,901.51, liabilities of $923,431.30, and a surplus as regards policy holders of $704,470.21. The Examiner stated in his report that no credit had been given for reinsurance amounting to $35,000 and that 250 shares of stock scheduled in the assets have a market value of $15,000 greater than allowed, so that there should really be an addition of $50,000 to the surplus as regards policy holders.

As a further exhibition of the company's prosperity, the premium income last year exceeded $840,000, while its loss payments were less than $260,000.

By his large experience in the field Mr. Joyce has gained a thorough knowledge of the surety business, realizing fully the obstacles to be overcome. His own success, and the characteristic energy he has displayed are examples that will prove inspiring to his official associates and the agents of the company.

The business of the National Surety Company has been very largely increased thus far in 1904 over 1903.

BALLARD McCALL,

SECRETARY NATIONAL SURETY COMPANY, OF NEW YORK.

Mr. McCall is a native of New York, and is twenty-seven years of age. He is a graduate of Phillips Exeter Academy. In May, 1897, at the time of the organization of the National Surety Company, of New York, he was elected Assistant Secretary, and in the following December he was elected Secretary of the company, which position he has continued to hold until the present time.

Pirie MacDonald, Phot'gr of Men, N. Y.

BALLARD McCALL
Secretary National Surety Co., New York

CANADIAN BRANCH BANKS AND AGRICULTURAL DEVELOPMENT.

Very rarely now-a-days is argument heard in Canada on the subject, "Should the banks be allowed to lend on farm mortgages?" That question was long ago laid to rest, and no sensible man, familiar with the relations existing between the banks and the Canadian farmers, would venture now to raise it into discussion.

Like most other countries Canada has had experience of the evil results that follow when banks accept from their depositors large sums repayable at call or at a few days' notice, and then proceed to invest that money in mortgages having a currency of anywhere from two to ten years.

Nearly every one who has studied financial affairs closely and intelligently knows quite well that at certain times good mortgages, even on farm property, assume a character for liquidity and ready convertibility not so very far behind a certain class of bonds and stocks. When money is plentiful, when deposits are pressed upon the banks, it is easy to sell mortgages—perhaps at a day's notice. Mortgage and trust companies, insurance companies and a host of individuals are in the market bidding for just such investments. But when circumstances change, when the financial centres are dominated by stringency and high rates, a remarkable diminution takes place in this army of bidders; capital then can be turned over again and again much more profitably than if put into a bond or a mortgage. And if some great commercial or financial breakdown unexpectedly happens, destroying at a blow the credit of prominent, highly-reputed firms or corporations, most people with capital will either be too affrighted to move or they will desire to hold their funds for the unusual bargains universally expected on such occasions.

Under circumstances like these the land mortgage loses much of that liquid character which it assumes in prosperous or normal times; it is not by any means so easy to sell, and if perchance it matures, perhaps the only way to effect liquidation will be through foreclosure sale of the property represented. But this is exactly the time when the banker's safety may depend on the ready convertibility of his mortgages and securities; this is the time when his creditors are calling peremptorily, and when his thoughts are concentrated, not on profits or losses, but on getting cash. It avails him nothing that a year ago, six months ago, mortgages could be easily sold; what he wants is to sell them now. Failing in his efforts to convert them into money, it may be that he must close up promising industries dependent on his loans, or publicly confess his inability to meet his debts—perhaps he must do both.

The advocates in the United States of a policy that would permit banks to lend on farm mortgages argue that no harm would come if these investments were limited strictly to a certain percentage of the capital stock, and they assert that the practice of making these loans already prevails under different disguises, and that so far it works smoothly and safely. The answer to this argument is that a bank, carrying on the bulk of its business on its depositors' money, has absolutely nothing to spare for an investment of this nature. There are lock-ups, of varying degrees of permanence, connected with the ordinary banking business, which scarcely any bank can hope to avoid, and which usually absorb so large a proportion of bank funds as to leave nothing over for taking chances in such things as mortgages and real estate. For instance, there are bank house and furniture, the bad debts openly acknowl-

edged, and the other dead wood that tends to accumulate in spite of frequent applications from profits. Then there are always to be found among the commercial loans debts, not bad, perhaps, but doubtful, which are more or less fixed in their nature, and which must be nursed and squeezed carefully, a little at a time. These certainly are not available for paying off deposits; in a period of depression or in a crisis they are apt to become bad. After this class come the sound, healthy, ordinary loans and discounts, which rise and fall with the different seasons in the commercial year, increasing so much in the autumn as to draw into service a large part of the cash and balances held available for emergencies, and declining again a little while afterwards so as to permit those reserves to be fully replenished.

Now, it is notorious that if a bank is under pressure from depositors and seeks relief by liquidating its ordinary loans, by calling on its prosperous and wealthy customers to pay up out of season, the drain of deposits takes on an increased intensity; the remedy applied aggravates the disorder. There remains, of course, outside assistance; but the prudent, high-spirited banker will not lean too heavily on that. He will ask it, in the regular way, and accept it perhaps, if offered, but he will not make it his life-boat. No, he will keep himself strong in cash, bank balances, New York call loans and bonds readily convertible, whatever the state of the markets. In the day of prosperity, when a fresh deposit is received, he will keep in his mind the day when that deposit will be demanded of him, and he will use care never to place himself in such position as to be dependent for existence on the leniency either of his creditors or of other bankers.

Obviously, the banker with large deposits has little or nothing to spare for experimenting or playing with mortgages on real estate. It does not follow that he is therefore debarred from giving powerful assistance to agricultural developments, from enabling the farmers to plough, seed, harvest, raise cattle, hogs, sheep, etc., to the utmost extent of their reasonable wishes; wherever in fact a profit can be clearly discerned.

It is well known that the system of banking prevailing in Scotland has had a great deal to do with that country's remarkable agricultural development. Although Scotland is a poor, barren country compared with England, the deposits of the Scotch banks per head of the population are much greater than the deposits of the English banks. This is generally ascribed to the close relations which have long existed between the Scotch banks and the Scotch farmers. Among the banking systems prevailing in the different countries of the world none bears a closer resemblance to the Scotch system than the Canadian; and among the leading bankers of the Dominion, Scotchmen are numerous. The Canadian banks, even the very greatest of them, cultivate assiduously the accounts of farmers; banks possessing assets of forty, fifty, a hundred million dollars, are not above opening branch offices in veritable hamlets containing sometimes less than four hundred inhabitants, and they place at the disposal of the people in those districts practically all the capital their industries will absorb. At the end of 1903 there were in the Dominion 1,020 branch bank offices, an increase during the year of 150. It is fair to assume that a very great deal of the wonderful agricultural progress made by the country was due to the increased banking facilities.

In the hope that the recital will prove interesting to readers of THE BANKERS' MAGAZINE a short description of how one of these country branches transacts its business, particularly with the farmers, will be given.

Bank money is not borrowed nearly so freely for agricultural purposes in the older Eastern provinces as it is in Manitoba and the West. This is not because the banks are reluctant in the one place and eager in the other, nor because they place restrictions in one place and abolish them in the other; but simply because in Ontario and Quebec their capital is not required by the farmers, and it is nearly impos-

sible to put out large sums except to farmers extraordinarily ambitious and enterprising, or else to those only in the second or third grade of credit. A large number have capital of their own, sufficient not only to work their farms, but also to lend to their neighbors at a lower rate than the banks could quote, and to keep a respectable deposit in the banks besides. The functions of the country branch in the East, in its relations with the tillers of the soil, are confined chiefly to receiving and holding deposits both at interest and at call, collection of sale notes, transferring money, and the making of some few loans, scattered in nature and unimportant in amount. Clearly, banking operations here are not so interesting as those by which a new country is developed. In the Western town, where the best and wealthiest farmers are heavy borrowers, where the bank notes rush in a furious stream to the wheat-fields and give the impetus to that flood of grain which overwhelms with its immensity both carriers by rail and carriers by water, more business and excitement are crowded into the four months between September 1 and New Year's Day than a larger town in Ontario will handle in a full year.

In the latter part of the winter, before the roads break up, the farmers in the West are busy hauling to market the grain held over from the previous fall. No matter what the condition of the world's grain trade, there is always a large number who think wheat will go up by spring. Those who can do so carry it in their own granaries. In April, just as soon as the frost is out of the ground, the spring plowing is rushed, to get ready for seeding in May. At this time there is a scattered demand for accommodation at the local branch ; it is not pronounced, because the seed is always kept from last year's crop, and because notes till fall are usually given for implements and horses purchased. Some few, habitual close-figurers, borrow from the bank and pay cash for these things. After seeding is finished the farmer sets to work breaking new land, and summer following he does not trouble the bank very much during June and July. When August comes there is twine to get and men to hire, perhaps some heavy implements, such as binders, to buy. The expenses of the crop begin to amount up, and the amount owing on notes and accounts gets bigger and bigger.

But it is not till his wheat is harvested and threshed, not till his granaries are bursting with two thousand, five thousand, or fifteen thousand bushels, that the Northwestern farmer begins to finance in earnest. If he wishes to carry his wheat, to speculate on a rise in price, he must go to the local bank to make arrangements for the necessary credit. There are the summer's accounts to pay, for groceries and supplies of different kinds, the thresher's commission, men's wages, the notes given for implements and horses, perhaps a deferred payment on some of his land, and it may be that he will at this time complete the purchase of a near-by quarter or half-section upon which he has cast covetous eyes for some little while. If he is a big farmer, owning a couple of sections (640 acres to a section) and holding 15,000 bushels of wheat, he may want to borrow four or five thousand dollars to clean up everything at the bank and outside. He is a wealthy man, his land worth $25,000, unencumbered save with the remnants of a mortgage put upon it some years ago, and which will run off entirely in a few years more, ; he has livestock and equipment worth another five thousand, which will be clear from debt just as soon as he secures the loan at the bank or sells his wheat.

When he enters the bank on his errand the Manager raises at once the question of security. The bank has its rules ; everybody who borrows must give collateral of some kind. Although our farmer is rich, he has not, apart from his wheat, anything that might be called bankable security. He cannot deposit bonds or stocks as the broker does or the capitalist ; he has no notes, no bills to lodge, as the manufacturers, the wholesalers, the retailers have. There is his wheat, to be sure, and the Manager suggests, "Will you haul your grain and give us the elevator tickets ?"

"And pay storage, half-a-cent a month? No, sir," replies the farmer.

"Well, then, will you give us an endorser? You are rich. Any one of your neighbors would be glad to go on your paper."

"I'll never ask any man to endorse for me," the customer rejoins. "If I ask Jones to back my note he'll want me to back his, and that's a thing I'd never do."

The problem admits of no compromise. The banker does not say, "I'm sorry, but we can't do it;" he says nothing. The farmer also says nothing. He knows and the banker knows that if the deal does not go through here the opposition bank a few doors down the street will gladly take it up. Although the Manager gets no commission, no perquisite in such transactions, he is playing for head-office approval. Head-office wants the branch business, both deposits and loans, to increase; it wants good profits returned on quarter-day. But head-office will turn the most unforgiving ear when the branch Manager comes forward with explanations for bad loans or losses. If the branch business develops steadily, if the profits increase, and if no losses are made, Managers of country offices may expect rapid increase in salary, and promotion to more important offices in the larger cities and towns.

So the upshot of the business is that the loan is made, and although it does not conform to the rules, being granted on a single name and without a shred of collateral, the Manager regards it complacently; he knows it to be infinitely safer than many of his advances which conform to the strict letter of the law. Such a loan as this, made to support a speculation, deserves no credit, it is true, for aiding agricultural development; it is cited merely as an example to show how readily the banks accede to the wishes and demands of their farming customers. Agricultural progress is stimulated and guided by means of assistance given by the banks directly to farmers through loans enabling them to meet all the expenses of cultivation as they arise, and not less effectually through loans made to local implement dealers, horse-dealers, retailers and merchants, on the security of farmers' notes and accounts, making it possible for these business men to supply goods and to extend credit to the tiller of the soil during the time in which he has no money to pay.

It is only the best farmers, of course, who can borrow in this manner. Their neighbors, who are not so strong, must give endorsers or elevator tickets as security for bank loans. But almost all over Canada the farmer is treated with great favor; wherever it is possible the rules are relaxed on his behalf, assistance is given him in every reasonable way. It is open to question if he is not given too much assistance sometimes.

The most experienced bankers, in their dealings with farmers, are resolute on one point; they insist that the farmer clean up everything he owes them at least once a year. In the interest both of themselves and of their borrower they will not allow a loan to become fixed like a mortgage. They say the farmer should not borrow from a bank or an institution trading on depositors' money more than he can easily repay with one crop or in one season. If he wishes a longer term loan he must get it from a different kind of institution, from the mortgage company whose loans are made by means of its capital and debenture bonds, from the life insurance company which can calculate how much per year it will likely have to repay its policyholders or from the private individual with his own capital to invest; not from the bank which does not know perhaps within a million dollars how much of its resources will have to be surrended a week or month hence.

This banking policy, liberality tempered with firmness, has worked well both for the banks and the farmers. Beyond all question the harmonious relationship existing between the Canadian farmer and the Canadian bank has had much to do with the Dominion's rapid development in the last few years. Aided by the free disposition of banking facilities and banking capital, the farmers have made the earth yield of its abundance as it never did in Canada before; with the capital supplied by the farmers in turn to the banks in the shape of growing deposits, all kinds of industries in the East and in the West have been supported and stimulated.

H. M. P. ECKARDT.

THE HIBERNIA BANK AND TRUST COMPANY, OF NEW ORLEANS.

ITS NEW BUILDING, ITS PRESIDENT AND OFFICIALS, AND ITS BUSINESS.

The imposing building shown in the illustration accompanying this matter is that of the Hibernia Bank and Trust Company, New Orleans, which is rated very generally, in point of capital, resources and business, the foremost financial institution of

HIBERNIA BANK AND TRUST COMPANY.

the South. This building was only recently completed. It is the largest and finest office building in New Orleans, and the first real type of the sky scraper raised there. It is situated at the corner of Gravier and Carondelet streets, opposite the Cotton Exchange, at the heart of the business quarter of the city, and at the core of its

financial district; is 100 by 140 feet ground plan, 180 feet and fourteen stories high, and is appointed throughout in the most modern style. It cost, exclusive of site, $700,000. Before it was finished even, offices in it were in great demand. They have been taken by such concerns as the Equitable Life Agency, the Maritime Exchange of the city and the Grain Pit of the New Orleans Board of Trade.

The bank took possession of its own sumptuous quarters in this fine structure on Saturday, March 26, last. These quarters embrace one floor at the corner of the two streets, a "mezzo" floor and a half floor additional above that. Few banks, even in New York, it is safe to say, are as commodiously and spaciously accommodated.

The fittings throughout are costly but simple. They are of marble, mahogany and oxydized iron chiefly. Outwardly, all there is to distinguish the location of the bank, is a simple brass tablet. From the main entrance to the building and bank, on the Carondelet street front, three general divisions are disclosed, namely—(1st), the general banking department with its busy staff of clerks, tellers and accountants behind the grille; (2nd), the trust department: and (3rd), the offices of the officials.

To the left of the entrance are the vaults, all constructed after the latest and most massive fashion. They rest upon a special foundation of piling and concrete. Their outer door alone weighs eleven tons. In it there are ten layers of inch-thick specially hardened steel. The twenty-four locking-bolts are three inches diameter each. The vault is equipped with three automatic time locks. It has been calculated that the force of any explosive sufficient to reduce this great safe would just about wreck the town.

On this main floor also is the savings department of the bank to which is attached a ladies' reception room panelled wholly in mahogany; a general safe deposit of 1,500 boxes; a special safe deposit for the treasure and valuables of the bank itself; nine coupon booths and the directors' room, which in the solidity it illustrates is really a study in itself.

A spiral staircase leads from the bank proper to the mezzanine floor and to the "trunk room" for the storage of silver plate, heirlooms, etc. Nor should there be forgotten the center-piece, a magnificent marble-faced clock over the principal entrance.

Upstairs, on the second floor of the building, is the luxurious private office of the President. It is fitted and furnished very becomingly in age-black Flemish oak, and is complete in every detail even to the paraphernalia of a folding bath let into the wall.

The workmanship of these fittings throughout is of finished character. The vault and the fittings generally were designed by the architects of the building, D. H. Burnham & Co., Chicago. Vault and safety boxes were furnished and put in by the Mosler Safe Co., Cincinnati; woodwork by the Wilmarth Co., Chicago; heavy iron work by the Ornamental Iron Works, of the same city; art metal work by the Jamestown Metal Works, New York; furniture and furnishings by the Robert Mitchell Co., Cincinnati. All in all this work is the finest ever put up in the South, and few banks anywhere are more grandly housed.

The story of this bank is one of progress, more particularly so its later story. Its development happily illustrates that new spirit of advancement with which the ancient Creole city seems at length to be imbued. *Pari passu*, the story of this bank is the story of the city of late. At the same time the Hibernia is no new creation, no mushroom growth. It was organized in 1870, originally as a State bank. In 1873 it was nationalized. Its present growth really began, it may be said, with the advent of J. W. Castles (now at the head of the Guaranty Trust Co., New York) and his associates in the early nineties. In 1902 it was consolidated with the Southern Trust Company soon after that institution had acquired the old Union National Bank. This consolidation was effected under a State charter as a trust company,

JOHN J. GANNON
President Hibernia Bank and Trust Co., New Orleans

the bank surrendering for that purpose its own charter as a National bank. This course was suggested and encouraged by Louisiana legislation more favorable to banking interests than was formerly the case.

By its statement of December 31, 1903, the condition of this bank then was:

Resources.		Liabilities.	
Loans and discounts	$10,621,496.21	Capital	$1,000,000.00
Cash on hand and with banks	5,056,490.31	Surplus and profits	2,102,432.55
Bonds and stocks	436,767.91	Semi-annual dividend 10 per ct.	100,000.00
Building and other real estate	1,025,149.08	Deposits	13,937,471.06
	$17,139,903.61		$17,139,903.61

The management of this bank is in competent hands. The President is Mr. John J. Gannon, who, beginning in the banking business in Chicago, made himself a name as a National bank examiner in Texas, and a record as head of the Merchants' National Bank, Houston, Texas, therein commending himself as the man for his present place. The Vice-Presidents are: G. R. Westfeldt, importer of coffee, and J. W. Castles. The Cashier is Chas. Palfrey, who has been with this bank for twenty-two years. George Ferrier and P. L. Girault are Assistant Cashiers; L. M. Pool, Assistant Cashier and Manager of the savings department, and W. H. Ingram, Jr., Trust Officer.

This trust department of the Hibernia is a feature of the company's business, and its bond and investment department does a business which is also of note.

Among the directors of this institution are the most prominent business men of New Orleans, those having business relations with New York and even farther afield. Following is the complete list of them:

John J. Gannon, President; J. W. Castles, Guaranty Trust Co., New York; Gage E. Tarbell, Equitable Life Assurance Society, New York; Frank B. Hayne, cotton; E. Steinhardt, Steinhardt & Co., exporters; O. L. Putnam, Putnam & King, Ltd., cotton; C. E. Allgeyer, Allgeyer & Co., cotton; Thos. McDermott, sugar; E. Overbeck, cotton exporter; W. P. Brown, W. P. Brown & Co., cotton; A. Brittin, A. Brittin & Co., President New Orleans Cotton Exchange; John T. Gibbons, commission merchant; G. R. Westfeldt, Westfeldt Bros., coffee; Isidore Hechinger, S. Gumbel & Co., Ltd., cotton; H. M. Preston, Preston & Stauffer, wholesale grocers; R. W. Wilmot, W. G. Wilmot & Co., coal; Sam Hyman, Hyman, Hiller & Co., cotton; F. Lapeyre, cotton exporter; L. H. Fairchild, Fairchild & Hobson, cotton; Hugh McCloskey, McCloskey Bros., provisions; W. H. Byrnes, Hibernia Insurance Co., New Orleans; Jno. N. Stewart, Stewart Bros. & Co., cotton; M. N. Wisdom, agent Equitable Life Assurance Society, New York; W. G. Tebault, furniture.

Origin of "Pounds Sterling."—How many folk who work every day in the year who use the phrase "pounds sterling" are aware of its origin? Probably not one in a thousand. Yet the adjective "sterling," which apart from its commercial sense has come to indicate worth and genuineness, has a curious historical significance, and is a distinct survival of the times when England did not weigh so heavily in the balance of power as she does now. In the fourteenth century the trade of the known world was, almost without exception, in the hands of the Hanseatic League. Within this league there were many towns, most of which coined money, some using better metal than others. Lubec, a Baltic city, made the best money, and the English merchants, who even then knew a good thing when they saw it, used to contract for payment in the "moneys of the Easterlings"—Easterlings being their name for the Baltic merchants. Shortened for convenience, the word still obtains, and has all its original force.—*Liverpool* (*Eng.*) *Post.*

AN AUTOMATIC COIN-COUNTING AND COIN-WRAPPING MACHINE.

It is a necessary matter for banks to have coin put up in wrapped rolls of a predetermined amount so that the paying teller can pass it out to his customers for either change or the pay-rolls. It has been the custom for the banks in the past to insist that depositors of coin should wrap their money before depositing. This was started years ago, when the coin was scattered amongst all classes of business, but since the advent of the trolley companies, telephones and the slot-machines, the coin of the community has centered so in these lines that if they did not deposit daily the above corporations would have all the change of the community, thus robbing merchants and manufacturers who need coin in their business. Foreseeing all this, the inventor, having invented many of the automatic slot-machines of from ten to fifteen years ago, determined that he would invent a machine that would count and wrap this coin or count and bag it in such a rapid way that it would become and be classed with other inventions that have helped the commercial world, such as typewriters, cash-registers and the adding-machine.

It is the belief of the people who formed The National Coincounting Machine Company to take over these inventions that these machines would revolutionize and establish a perfect system of organization in which the coin of the community could be handled successfully with one-tenth of the cost that it is now being done by hand. They will attempt to introduce the coin-counting, coin-registering and coin-bagging machine to such organizations as trolley companies, telephone companies, automatic slot companies, breweries, bakeries, confectioneries, etc., and all people who collect coin and are compelled to deposit it. In large cities it does not make any difference whether this coin is deposited in their banks or whether immediately sent to the sub-Treasury.

The machine is absolutely accurate and it is impossible for it to make a mistake in the count. The mutilated currency is prevented from entering the machine except that of a coin with a hole in it or a counterfeit. The coin thus counted and gleaned by this rejection will make the recount at the sub Treasury a matter of great satisfaction.

The coin-counting, coin-registering and coin-wrapping portion of this machine will be used probably exclusively by the banks. They will take one penny machine, that will count and wrap pennies, another for nickels, another for dimes, another for quarters and another for half-dollars, besides that portion of the machine that will count all coins and bag it so as to use or ship coin in bulk. They will establish a room in the basement or upper floor of the bank, called a coin room, in which these machines will be installed with an operator. The banks will request their customers in future to deposit all coin in bags with their name and the amount on a ticket attached to the bag. The large depositors of this coin will of course take this to the coin room and receive credit for it. If it is presented to the receiving teller, it is also entered on the pass book and then charged to the coin room. The receiving teller will not count a single coin from one year to the other, thus taking away his past troubles in the way of counting coin. The paying teller will only keep such change in his cage as he needs, knowing that in the coin room, coin is put up in such shape that upon his request he can get all he desires. It will be thus seen

that the work of the receiving teller and the paying teller's cages will be greatly reduced. Some banks believe that it will save as high as 33⅓ per cent.

Furthermore, this machine being so absolutely accurate in its count, the packages will pass between the banks and the public as being the amount printed on the wrapper, on the outside of the roll. It is an absolutely sealed package and impossible to extract a coin without destroying the wrapper.

To the large collectors of coin, such as trolley companies, etc., the cost will be reduced ninety per cent. of their present way of preparing coin for deposit and if by their adoption, from the above fact, they will destroy the supply of wrapped coin, it will then be for the banks themselves to wrap the coin for their own accommodation, and if this is to be the fact that these machines will produce, then one set of machines in the banks, with a girl, can do the work of ten experienced men, as it is a recognized fact in the Treasury at Washington that girls are more adept in selecting counterfeit coins than men are. As between the counting and wrapping by hand in the banks, this machine will save the banks a very large amount, and they could hardly with reason reject the offer of these machines. Furthermore, the banks will have this part of their business in a thorough organization, and as this is the spirit of the age it does not hardly seem possible but that they will be exceedingly happy in adopting it.

The exhibit at the World's Fair at St. Louis by The National Coincounting Machine Company, of New York, will be very extensive and complete. The contract has been settled with the World's Fair people that they will establish a separate building just within the main entrance of the Liberal Arts Building to show the general public the counting of the World's Fair receipts by this machine.

The inventor of this machine is Charles S. Batdorf. He was born at Dayton, Ohio, in 1858, and has been for many years engaged in newspaper work, having invented the coin-counting machine while with the "Exporters and Importers' Journal." The machine which he designed and perfected works with almost human intelligence, and it will no doubt prove of great practical utility.

OLD OHIO BANK BILL TO BE REDEEMED.—Auditor Noble has received from Auckland, New Zealand, a ten-dollar bank note issued fifty years ago by the Mahoning County Bank, long since out of existence. The executor of an estate writes that the bill was found in the effects of a former Ohioan, and asks that it be converted into current coin. Auditor Noble will present the bill to the Auditor of the State's office. The report of Auditor Guilbert shows that W. S. Parmalee and others have on deposit in the State Treasury a bond for $10,000 to guarantee the outstanding circulation of the Mahoning Bank. It is expected that the redemption will be made easily. Other old banks, the officers of which have deposited with the State Treasurer securities in trust for the unredeemed circulation, are: Commercial Bank of Cincinnati, Dayton Bank, Franklin Bank of Zanesville; Sandusky City Bank, and the Western Reserve Bank. Their bank notes are seldom presented for payment.—*Columbus (Ohio) State Journal.*

LIMITATIONS OF MERE WEALTH.—Mere wealth has, after all, a very limited reputation compared with that of intellect. An English novelist comes here, and every town hall is open to him; a Swedish peasant girl comes to sing to us, and we pay any price to hear. Bring forward your art and your genius, the community seems to say, and we will provide the money. Let an ordinary millionaire land at the wharf, on the other hand, and no more attention is paid to him than if he were an ex-governor.—*Thos. Wentworth Higginson, in "Atlantic Monthly."*

A PROMINENT SOUTHWESTERN BANKER.

The development and growth of the Southwest in recent years—and of the State of Texas in particular—have hardly been surpassed in the history of this country. Texas is not only the largest of the United States, but its resources are extensive and varied, and the increase in population and wealth in the past ten years has been remarkable. The development of the material wealth of the State has been greatly facilitated by progressive banking institutions, under wise management.

Among the bankers who have won an enviable reputation in this regard is Mr. A. V. Lane, Vice-President of the National Exchange Bank, Dallas, Texas. Mr. Lane is not only one of the leading bankers of his State, but he is well known to the bankers of the country.

A. V. LANE,
Vice-President National Exchange Bank, Dallas, Texas.

He is a native of New Orleans, and was graduated from Vanderbilt University in 1882, receiving the degree of Ph.D. He taught mathematics and engineering at Vanderbilt University and in the State Universities of Arkansas and Texas until 1888, at which time he became Vice-President of the Dallas Savings Bank and Safe Deposit, afterwards the Mercantile National Bank, of Dallas. In 1897 this institution was consolidated with the National Exchange Bank, of Dallas, Mr. Lane becoming Cashier of the latter. He continued to serve in this capacity until January, 1903, when he was elected one of the Vice-Presidents of the bank, a position he now holds. His prominence in the banking affairs of the State was recognized by his fellow bankers, and he is now President of the Texas Bankers' Association and a member of the executive council of the American Bankers' Association.

Besides being a banker of wide and successful experience and of demonstrated capacity, Mr. Lane is noted for his courteous disposition and this has been an important factor in his official promotion.

The National Exchange Bank, of Dallas, Texas, was established in 1875, under a State charter, as the Exchange Bank, and Nationalized under its present name in 1887. In 1897 it absorbed the Mercantile National Bank, and in 1900 the National Bank of Dallas. On account of the increase in its business, the capital was increased in 1902 to $500,000, with a surplus fund of the same amount, which, with undivided

profits account, now amounts to $1,150,000, the deposits being $5,500,000. It hardly need be said that these figures indicate an exceedingly well-managed bank.

The officers of the bank are: President, Royal A. Ferris; Vice-President, E M. Reardon; Vice-President, A. V. Lane; Cashier, Nathan Adams; Assistant Cashiers, Howard Claiborne, L. B. Torrey, Geo. H. Pittman.

The bank has a strong board of directors, composed principally of Dallas business men, and its Eastern shareholders include, among others, the following well-known names: Samuel G. Bayne, President Seaboard National Bank, New York; T. Wistar Brown, Vice-President Provident Life and Trust Co., Philadelphia; Daniel O'Day, General Manager National Transit Co., New York; S. G. Nelson, Vice President Seaboard National Bank, New York; Mrs. Hetty H. R. Green, New York; Edgar L. Marston, of Blair & Co, New York; J. F. Thompson, Vice-President Bankers' Trust Co., New York.

HIGHER EDUCATION FOR BANKERS.—A preparation for banking should not be a drill in technical bookkeeping, or teaching a messenger how to carry a bag of gold in safety from one institution to another. The essential purpose of education leading up to such a profession would be a training in the principles affecting the problems which necessarily arise in local, national and international banking. There are principles of money and credit underlying these phenomena often not understood even by many bank officials. The man who has been taught how to approach such problems, to work out solutions, to apply power and grasp of large and important subjects, must, in the end, prove an infinitely better head of the bank than he who has come slowly forward from the window of an accountant or teller, and whose professional education has consisted of the chance events brought to his attention in the round of daily business. Men of this latter description will become accurate, steady and useful to the institution in minor positions; but if promoted to high posts they will be found to know really nothing beyond the dry husks of their professional experience or a personal acquaintance with their constituency. The recruiting of high officials in this fashion accounts for the prevalence of so much lagging conservatism and ignorant timidity in regard to burning monetary questions of the day.—*Prof J. Laurence Laughlin in "Lectures on Commerce."*

We should like to see bankers and others get all the education they can assimilate; but what Professor Laughlin rather contemptuously refers to as "the dry husks of their professional experience or a personal acquaintance with their constituency," are mighty valuable things in banking. Primarily, also, the banker is not a monetary reformer. While the banker of broad education, such as Professor Laughlin has in mind, will doubtless do greater things than those who came up by way of the teller's cage, still the acquirements of the latter are not to be despised. "Loanin' the money and gittin' it back," as David Harum said, is the principal business of a great majority of bankers and will probably continue to be so for a long time.

LABOR CANNOT WIN BY FORCE.—In a recent newspaper interview, President Gompers, of the American Federation of Labor, is reported to have said:

"Force and violence would be the doom of union labor—union labor cannot win by force. It must be a campaign of education and business methods must be used in dealing with business men. Violence will not bring about the right result. It is not the true American spirit to go in and demand that a wrong be made right at the point of a gun or by a display of force."

Mr. Gompers declared that crime and tyranny were the causes of Chicago's labor evils and that many of the labor outrages there were committed by non-union men.

NEW YORK BANKS UNITE.

MERGER OF THE LEATHER MANUFACTURERS' NATIONAL BANK WITH THE MECHANICS' NATIONAL BANK.

On April 11 the merger of the Leather Manufacturers' National Bank with the Mechanics' National Bank became effective, having been unanimously ratified by the 6,000 shares of the Leather Manufacturers' National and 78,000 of the 80,000 shares of the Mechanics' National. This practically unanimous vote on both sides indicates the harmonious feeling between the interests represented in both banks. It is somewhat exceptional where consolidations take place to find such a substantial unanimity of opinion, and it is to be regarded as a favorable omen for the succeeding institution, which will be the Mechanics' National Bank. It has $3,000,000 capital, $3,000,000 surplus, $262,000 undivided profits, and net deposits amounting to $18,000,000.

The officers are as follows: President, Gates W. McGarrah; First Vice-President, Alexander E. Orr; Second Vice-President, Nicholas F. Palmer; Third Vice-President, Andrew A. Knowles; Cashier, Frank O. Roe; Assistant Cashier, Robert U. Graff.

Gates W. McGarrah, the new President of the Mechanics' National Bank, entered the banking business in 1882, and ten years later was made Assistant Cashier of the New York Produce Exchange Bank. In 1898 he was appointed Cashier of the Leather Manufacturers' National Bank, and was elected to the office of Vice-President in 1899, and in 1902 was elected President. He is the present Secretary of the New York Clearing House Association, and is a director and a member of the executive committee of the Bankers' Trust Co. and Chairman of Group VIII of the New York State Bankers' Association. He is a member of the Metropolitan and the Union League Clubs.

Both of the banks concerned in this merger are old institutions; the Leather Manufacturers' National Bank was organized in 1832 as a State bank, while the Mechanics' National Bank is the fourth oldest in the city, having been founded in 1810. Increased prosperity and greater usefulness to the business community may be expected by the union just effected.

FORGED INDORSEMENTS—LIMIT OF LIABILITY.—The following bill was recently passed by the New York Legislature:

Section 1. Article seventeen of chapter six hundred and twelve of the laws of eighteen hundred and ninety-seven entitled "An act in relation to negotiable instruments, constituting chapter fifty of the general laws," is hereby amended by adding at the end thereof a new section to be known as section three hundred and twenty-six, and to read as follows:

Section 326. Recovery of forged check.—No bank shall be liable to a depositor for the payment by it of a forged or raised check, unless within one year after the return to the depositor of the voucher of such payment, such depositor shall notify the bank that the check so paid was forged or raised.

Section 2. This act shall take effect September first, nineteen hundred and four.

THE BANKERS' DIRECTORY.

HOW THE IMPROVED FORM IS REGARDED BY BANKERS.

In putting into effect the plans for improving THE BANKERS' DIRECTORY issued by The Bankers Publishing Co., the publishers counselled with a number of the leading bankers in New York and other cities and towns, aiming especially to prepare a directory that would give everything the banker desires to know in consulting such a book, and at the same time keep the volume within limits as to size that would not make it too bulky.

It is believed that THE BANKERS' DIRECTORY issued by The Bankers Publishing Company now fully meets the requirements of bankers desiring a complete and handy volume of this character. The information contained includes an alphabetical list of all National, State, Savings and private banks and bankers and trust companies. The character of the bank—whether National, State or private—is clearly indicated; the year established is given—often an important point; the President, Vice President, Cashier and Assistant Cashier are given, as well as Secretaries and Treasurers of Trust Companies and Savings banks; the capital, surplus and profits, and total deposits are reported, together with the principal correspondents. The towns are listed alphabetically, the population of each town being given, and the county in which it is located is also shown.

Of course, the book contains many other valuable features—such as a list of directors, classified list of Cashiers and Assistants, places accessible to banking towns, commercial laws, useful tables for bankers, etc.

It has been the aim of the publishers to omit nothing that would make the book useful, and at the same time to include nothing that was of no value. That this aim has been realized may be inferred from the following comments on the January issue of the DIRECTORY, selected from a very large number received by the publishers:

From the State National Bank, Boston.

"A fine looking book; convenient for reference. Its size is good."

From J. T. Woodhull, Vice-President Frost National Bank, San Antonio, Texas.

"The January DIRECTORY is received. It is very nice, and much improved."

From the Banco Nacional de Cuba, Havana.

"We take note of the improved style in which you have issued this last DIRECTORY, which is very satisfactory."

From the Yokohama Specie Bank, San Francisco, Cal.

"We acknowledge receipt of the January edition of THE BANKERS' DIRECTORY, and notice and appreciate the many improvements."

From James R. Branch, Secretary American Bankers' Association.

"I beg to acknowledge receipt of the January edition of THE BANKERS' DIRECTORY. I desire to congratulate you on the handsome manner in which the book is gotten up."

From the Bank of J. L. Purdy, Gagetown, Mich.

"Am well satisfied with the book."

From J. P. Barclay, President National Bank of Commerce, San Antonio, Tex.

"Your DIRECTORY presents a very handsome appearance."

From Carl M. Keck, Vice-President Citizens' National Bank, Washington, Iowa.

"We appreciate very much the changes that have been made in the present DIRECTORY, it being superior in every respect to those formerly put out by you, and should be rewarded by a largely increased number of subscribers."

From A. V. Lane, Vice-President National Exchange Bank, Dallas, Texas.

"We are pleased to note you have made quite an improvement in your book, making it a very handsome, and, we have no doubt, complete directory.

From J. L. Kamrar, Esq., Attorney-at-Law, Webster City, Iowa.

"The new DIRECTORY is just received. It is a handsome book."

From the Central National Bank, Battle Creek, Mich.

"We note and admire your fine publication."

From Charles G. Goodrich, Cashier Georgia Railroad Bank, Augusta, Ga.

"The book is very handsome in appearance, and we find it very useful."

From F. A. Overton, Cashier Patchogue Bank, Patchogue, N. Y.

"The book is very nice."

From Henry Reis, Vice-President and Cashier The Old National Bank, Evansville, Ind.

"We congratulate you upon the new DIRECTORY, which is very beautiful."

From the Millikin National Bank, Decatur, Ill.

"The improvement is very fine."

From G. S. Newberry, Cashier First National Bank, Carrington North Dakota.

"Enclosed please find our draft for $4 in payment for copy of January DIRECTORY, which has been received, and which is certainly a very neat edition.

The July issue of THE BANKERS' DIRECTORY, in addition to the improvements already enumerated, will contain new maps of every State and Territory, especially engraved for this edition by one of the best map-engravers in the United States. These maps are much superior to any heretofore published, and will still further enhance the value of the DIRECTORY.

The January edition is now on sale at $4 per copy, and orders for the July edition, at the same price, should be sent in at once by those who desire to secure the most complete and handiest BANKERS' DIRECTORY published.

POLITICAL AND BUSINESS CORRUPTION.—The corruption of our American politics is our American corruption, political, but financial and industrial too. Miss Tarbell is showing it in the trust, Mr. Baker in the labor union, and my gropings into the misgovernment of cities have drawn me everywhere, but, always, always out of politics into business, and out of the cities into the State. Business started the corruption of politics in Pittsburg; upholds it in Philadelphia; boomed with it in Chicago and withered with its reform; and in New York, business financed the return of Tammany Hall. Here, then, is our guide out of the labyrinth. Not the political ring, but big business—that is the crux of the situation.—*Lincoln Steffens, in "McClure's Magazine."*

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency). STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—The annual meeting of Group VIII, New York State Bankers' Association, was held on April 23 at the clearing-house. The following officers were chosen for the ensuing year:

Chairman, President Gates W. McGarrah, of the Mechanics' National Bank; secretary and treasurer, C. C. Thompson, Cashier Seaboard National Bank; additional members of the executive committee, President W. H. Porter, of the Chemical National Bank; President Herbert L. Griggs, of the Bank of the New York National Banking Association; Vice-President Gilbert G. Thorne, of the National Park Bank; Vice-President G. S. Whitson, of the National City Bank; and Charles Elliot Warren, Cashier of the Lincoln National Bank.

R. Ross Appleton, President of the Fourteenth Street Bank, introduced a resolution favoring the passage of a law requiring trust companies to make and publish reports every three months, and to be subject to calls for report without previous notice. The resolution was adopted.

—Leon H. McCall, who has been Assistant Secretary of the Bankers' Trust Co. since its organization, has been elected Assistant Cashier of the Citizens' Central National Bank.

—The National Surety Company has taken steps to have its charter amended so as to permit it to transact all forms of casualty insurance, including personal accident, burglary and plate-glass indemnity.

—Charles Baker, Jr., has been elected Secretary of the Metropolitan Trust Co., to succeed Benjamin Strong, Jr., resigned. Bertram Cruger was made Treasurer, and James F. McNamara, Assistant Secretary and Jacob C. Klinck, Assistant Treasurer.

—The Thirty-Fourth Street National Bank moved into its new building, 41 West Thirty-fourth street, April 23. At the same time it was announced that at the last meeting of the board of directors Bradford Rhodes had tendered his resignation as President, and that he would be succeeded by Dr. E. R. L. Gould, former city chamberlain and president of the City and Suburban Homes Co.

Mr. Rhodes was one of the prime movers in organizing the bank, and under his management the deposits increased from the opening on October 6, 1902, to over $600,000 at the present time. Being President of two other successful banks—the First National Bank, of Mamaroneck, and the Union Savings Bank, of Westchester County—and having other extensive interests, Mr. Rhodes found it impossible to give the Thirty-Fourth Street National his undivided attention. He continues as a director of the bank and a member of the executive committee.

—Frederick Worth, for thirty-three years paying teller of the National Park Bank, was recently elected Vice-President of the New York National Exchange Bank.

—Harry Boxer, who has been connected with the National Park Bank for about thirty-three years, and for some time assistant paying teller, was recently promoted to the position of paying teller, succeeding Frederick Worth, who resigned to become Vice-President of the New York National Exchange Bank.

—Application has been made to the New York Stock Exchange to list the $1,000,000 additional capital stock of the Citizens' Central National Bank.

—John C. McKeon and John C. Van Cleaf were recently elected Vice-Presidents of the National Park Bank, making four Vice-Presidents for the bank under the present arrangements. The others are Stuyvesant Fish and Gilbert Thorne. Mr. McKeon was formerly Vice-President of the Commercial National Bank of Chicago, of which ex-Comptroller Eckels is President, and Mr. Van Cleaf has been head of the audit department of the National Park Bank.

—The new Coal and Iron National Bank, which it is said will absorb the Varick Bank, opened for business April 9 in the Central Building at Liberty and West streets. The capital

is $800,000 and paid-in surplus, $200,000. Officers are: President, John T. Sproull; Vice-President, A. A. Lisman; second Vice-President, David Taylor; Cashier, Addison H. Day. Mr. Sproull and Mr. Day were respectively President and Cashier of the Varick Bank.

—The National City Bank has addressed a circular to its clerks offering, in addition to the usual two-weeks' vacation this summer, a two-weeks' trip to the St. Louis Exposition, with all expenses paid, to the clerk who makes between now and June 1 the best suggestions for facilitating the work of the bank, improving existing methods, or for increasing the bank's business. The suggestions must be made in written form and handed to some officer of the bank before the date specified.

—David Banks, who was Vice-President of the East River National Bank, was recently elected President, to succeed Raymond Jenkins, deceased.

—At a recent meeting of the directors of the Bankers' Trust Company, Gilbert G. Thorne, Vice-President of the National Park Bank, was elected a director in place of Granville W. Garth, deceased. Thomas W. Lamont, formerly Secretary and Treasurer of the Company, was made second Vice-President; Daniel E. Pomeroy, Assistant Treasurer, was made Treasurer, and Benjamin Strong, Jr., was elected Secretary.

—A. B. Wheeler, a prominent New Orleans banker, was a recent visitor in New York. Mr. Wheeler is a leading citizen of New Orleans, and was once King of the Carnival. He is a member of the firm of Moore, Hyams & Wheeler, private bankers, President of the United States Safe Deposit and Savings Bank, principal owner of the St. Charles Hotel, and a director of the New Orleans Street Railway Co., and interested in other large enterprises.

NEW ENGLAND STATES.

Boston.—It is announced that the Colonial National Bank will be absorbed by the newly-organized Commonwealth Trust Co., David J. Lord, President of the bank, heading the trust company, which is to have $1,000,000 capital and $500,000 surplus.

—E. F. Philbrick, heretofore the Boston attorney for the American Surety Company, has been appointed the company's Manager for this city.

—It was announced on April 25 that the First National Bank will absorb the National Bank of Redemption and that Daniel G. Wing, President of the First National, will serve as President of the merged institutions. The plan of combination calls for the liquidation of the Redemption Bank. The consolidation will represent an institution with $2,000,000 capital, $2,000,000 surplus and deposits aggregating about $35,000,000. The stockholders of the Bank of Redemption will be asked to ratify the proposition on May 31.

Under the terms of the proposed merger, the stockholders of the National Bank of Redemption will receive $160 per share in cash, or one-half share of First National stock with a bonus of $60. The First National will take over all the assets of the Bank of Redemption, assume all its liabilities and pay $3,200,000 cash for the transfer. The First National will issue $2,000,000 in case the stockholders of the Bank of Redemption prefer to take stock rather than cash.

Mr. Curtis, of the First National, will continue as Cashier of the new bank, and Vice-President E. A. Presbrey and Cashier Geo. G. McCausland, of the Redemption, will be Vice-Presidents. All of the directors of the Redemption will become directors in the consolidated bank, which will be known as the First National.

MIDDLE STATES.

Pittsburg.—Clay Herrick, formerly Assistant Secretary and Treasurer of the City Trust Company, Cleveland, Ohio, has accepted the position of Secretary and Treasurer of the Franklin Savings and Trust Company, of this city, and entered upon his new duties April 21. Mr. Herrick has many friends among the bank clerks of the country who will be pleased to learn of his advancement.

Baltimore.—The United States Fidelity and Guaranty Co., whose building was destroyed in the recent fire, announces that it will rebuild a larger and more ornate structure with greater fire-resisting qualities.

Philadelphia.—J. Tatnall Lea was, on April 22, unanimously elected President of the First National Bank, succeeding the late Morton McMichael. Mr. Lea is a well-known steel merchant, is prominently connected with several important business enterprises, and in point of service is the oldest director of the First National Bank.

Elmira, N. Y.—The Chemung Canal Trust Company recently moved into its reconstructed building, which is described in the "Elmira Advertiser" of April 5 as a model of solidity, taste and convenience. There has been an entire remodelling of the interior, and much greater space has been secured for the company's use. Modern vault equipment, furniture, etc., also give greater safety and additional facilities to customers. Some historic interest attaches to the building, as it has been occupied as a bank since 1833, the first institution being char-

tered as the Safety Fund Bank, but was known as the Chemung Canal Bank, the term National being later inserted for a time. Afterwards it became a private bank, and in 1895 again incorporated under the State laws, so remaining until recently when it was reorganized as the Chemung Canal Trust Company. It is an exceedingly strong company, having $600,000 capital, $475,000 surplus and profits and about $5,000,000 deposits. M. H. Arnot is President; A. Lee Smith, Ray Tompkins and James B. Rathbone, Vice-Presidents; Edward J. Dunn, Treasurer; E. W. Geckler, Secretary, and W. S. Carr, Cashier.

SOUTHERN STATES.

Raleigh, N. C.—On April 5 the banks of this city organized the Raleigh Clearing-House Association, with the following officers: President, Joseph G. Brown, President Citizens' National Bank; Vice-President, Chas. E. Johnson, Vice-President National Bank of Raleigh; Secretary, H. W. Jackson, Assistant Cashier Commercial and Farmers' Bank; Treasurer, Jas. O. Litchford, Cashier Raleigh Savings Bank.

National Bank Resumes.—The Traders' National Bank, of Clarksburg, W. Va., which was placed in charge of a Receiver February 2, 1904, was authorized by the Comptroller to resume business on April 13. There has been a reorganization of the board of directors and an increase in the capital to $200,000.

Louisiana Bankers' Association.—The annual convention of this association will be held at Baton Rogue, May 25 and 26.

Georgia Bankers' Association.—Secretary L. P. Hillyer favors the MAGAZINE with the following information: "The executive council of the Georgia Bankers' Association has found it necessary to change the date of the meeting of the association at Lookout Inn, Lookout Mountain, Chattanooga, Tenn., from June 28 and 29 to July 12 and 13. The special train of Pullman sleeping cars, via. the N. C. & St. L. and Illinois Central Railway, will leave Chattanooga on the morning of July 14, arriving in St. Louis on the morning of July 15. A large attendance of bankers from all over the State is expected. An interesting programme for the meeting will be forwarded in a few weeks to all the bankers in Georgia."

Louisiana State Banks.—L. E. Thomas, State Examiner, has recently issued advance sheets of his Biennial Report for 1902 and 1903. In the period covered by the report there have been organized thirty-eight new State banks and trust companies, with a banking capital of $3,554,775, and eighteen banks have increased their capital $863,150, making a total increase of $4,417,925, besides many banks had a large paid-in surplus at time of organization.

No banks have failed in the last two years, which is not very surprising, considering that the Louisiana banks have a reputation for stability that is historic.

In December, 1901, there were seventy-two State banks, with resources aggregating $31,361,940, and in December, 1903, the number of banks had increased to 110 and their resources to $64,887,836—a gain of over 100 per cent.

Fifteen new State banks have been organized since the first of January.

Hampton, Va.—By an error in the compilation of the January issue of the THE BANKERS' DIRECTORY, the capital and surplus of the Bank of Hampton were incorrectly reported at $50,000 and $51,000 respectively.

The capital of the Bank of Hampton is $100,000, the surplus and profits $65,000 and deposits $970,000, and these items should have been so reported in the January DIRECTORY.

Mobile, Ala.—Plans have been drawn for a modern six-story bank and office building for the City Bank and Trust Company.

WESTERN STATES.

Chicago.—Henry R. Kent succeeds Nelson N. Lampert as Cashier of the Fort Dearborn National Bank, Mr. Lampert having been elected Vice-President.

Mr. Kent has been connected with Chicago banking interests for twenty years, having held positions with the Illinois National Bank and the National Bank of the Republic. For the last sixteen months he had been connected with a bank at Lincoln, Neb., resigning to become Cashier of the Fort Dearborn National.

Peoria, Ill.—The Dime Savings Bank, the Title and Trust Co., and the Anthony Loan and Trust Co. have merged their interests.

Davenport, Iowa.—Julius C. Hasler was recently elected Cashier of the Farmers and Mechanics' Savings Bank, succeeding J. B. Meyer, resigned. Mr. Hasler has had extensive experience with local banking institutions, having been for a number of years Assistant Cashier of the Union Savings Bank, and was also formerly connected with the Davenport National Bank. He is well known, both in this city and throughout the State.

Cincinnati, O.—The prosperity of this city is strikingly set forth in the recent report of President George H. Bohrer, of the Cincinnati Clearing-House Association. The report

shows that the clearings for the last five years have increased just fifty-three per cent. over the previous five years. Clearings for the fiscal year ending April 1, 1904, show an increase of $32,000,000 over last year. The actual figures are: Clearings for 1904, $1,149,631,500; for 1903, $1,117,590,850.

St. Louis.—G. W. Garrels, President of the Franklin Bank, has been elected Vice-President of the St. Louis Clearing-House Association, succeeding Richard Hospes, deceased.

—A compilation of the reports of the banks of this city on March 28 showed that their total deposits on that date amounted to $178,272,445.

Ohio Bankers' Association.—The fourteenth annual convention of this association will be held at the Hotel Victory, Put-in-Bay, Wednesday and Thursday, August 24 and 25.

Kansas City, Mo.—President C. S. Jobes, of the American National Bank, outbid New York and other bankers for the recent issue of $3,000,000 of Philippine certificates. He disposed of the certificates to a New York banking firm at a good profit.

PACIFIC SLOPE.

Seattle, Wash.—J. V. A. Smith, Cashier of the Northwest Trust and Safe Deposit Co., has been appointed Manager and Treasurer of the Seattle Clearing-House Association, to fill the vacancy caused by the resignation of Frank Shafer.

Los Angeles, Cal.—At a meeting of the stockholders of the First National Bank, April 14, the capital was increased from $400,000 to $500,000, the new shares to be sold at $300 each. Stoddard Jess, who has been long identified with banking at Pomona, Cal., was elected a director, and will also be made an additional Vice-President.

—The eleventh annual convention of the California Bankers' Association will be held in this city May 19, 20 and 21.

Papers will be contributed by A. Kains, of the Canadian Bank of Commerce; J. A. Graves, of the Farmers and Merchants' Bank, of Los Angeles; W. C. Patterson, of the Los Angeles National Bank; Lovell White, of the San Francisco Savings Union; Hon. Herman Silver, of the Board of Bank Commissioners, and others. A varied and interesting programme is assured. On Thursday, May 19, there will be two sessions of the convention, at 10 a. m. and 3 p. m. On Friday, one session, only, at 10 a. m. Friday afternoon there will be an excursion to Mt. Lowe, leaving Los Angeles at 2:30 p. m. and returning at 10 o'clock the same evening. Dinner will be served on the mountain, at Alpine Tavern. On Saturday there will be an excursion to Catalina Island.

San Francisco.—The American National Bank has appointed H. de Saint Seine as Manager of its foreign exchange department. Mr. Saint Seine was for a number of years sub-Manager of the San Francisco office of the Comptoir National d'Escompte de Paris.

—Early in 1902 the present management of the American National Bank took control, and the result of the policy inaugurated is shown in the statement of March 28 last. A comparison of statements will show the progress made:

	January 22, 1902.	*March 28, 1904.*
Capital	$426,800	$1,000,000
Surplus and profits	147	231,568
Deposits	468,199	3,574,111
Total resources	895,146	5,355,679

P. E. Bowles is President of the bank: Francis Cutting and James J. Fagan, Vice-Presidents, and Geo. N. O'Brien, Assistant Cashier.

Tacoma, Wash.—The statement of the Fidelity Trust Co. for March 28 shows that the total resources of that institution now exceed $2,000,000. Deposits show a steady growth, amounting to $760,000 March 28, 1901; $874,000 March 28, 1902; $1,339,000 March 28, 1903; and $1,715,000 March 28, 1904.

Tucson, Arizona.—The statement of the Consolidated National Bank, made to the Comptroller of the Currency March 28, showed deposits amounting to $975,484. As an evidence of the careful management of the bank, it is to be noted that the surplus has just been further increased, making it $50,000—the same as the capital.

CONCENTRATION OF BANKING.—The concentration of banking resources and the power which is derived from co-operation among the banks and a few resolute leaders in times of crisis are generally recognized to be one of the most potent factors in our recent industrial progress and our present financial security. If the recent decline in the price of securities had found the market depending upon a large number of banking institutions with small capital, indifferently managed, and divided by petty jealousies, it might have tumbled them over like a row of bricks, and made the declining market of 1903 a repetition of the panic experiences of 1873 and 1893. Combination has vindicated itself the world over in banking; it remains to be seen whether, after due experimentation, it will not also vindicate itself in railway management and manufacturing.—"*Wall Street and the Country*," *by Charles A. Conant, in* "*Atlantic Monthly.*"

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

Applications to Organize National Banks Approved.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice:

First National Bank, Chillicothe, Texas; by C. T. Herring, et al.

National Bank of Statesboro, Statesboro, Ga.; by J. G. Blitch, et al.

Nebraska National Bank, Norfolk, Neb.; by G. D. Butterfield, et al.

First National Bank, Oktaha, I. T.: by J. E. Bahnsen, et al.

First National Bank, Tonkawa, Okla.; by F. M. Butcher, et al.

Tishomingo National Bank, Tishomingo, I. T.; by C. B. Burrows, et al.

Farmers' National Bank, Eastland, Texas; by E. C. Edmonds, et al.

First National Bank, Havelock, Iowa; by F. H. Helsell, et al.

First National Bank, Osnabrock, N. D.; by John Trotter, et al.

First National Bank, Ardmore, Pa.; by Geo. W. Wren, et al.

First National Bank, Annona, Texas: by R. N. Boswell, et al.

First National Bank, Waterville, Minn.; by F. H. Wellcome, et al.

First National Bank, Monte Vista, Colo.; by H. H. Abbott, et al.

First National Bank, Lineville, Iowa; by J. P. Jordan, et al.

First National Bank, Scenery Hill, Pa.; by Geo. E. Renshaw, et al.

First National Bank, Egan, S. D.; by A. B. Larson, et al.

People's National Bank, Lakewood, N. J.; by Charles R. Le Compte, et al.

First National Bank, Corning, Ark.; by J. M. Hawks, et al.

Commercial National Bank, St. Anthony, Idaho; by James E. Cosgriff, et al.

Catawissa National Bank, Catawissa, Pa.; by C. J. Fisher, et al.

Merchants' National Bank, Willow City, N. D.: by Geo. Sunberg, et al.

National Bank of Commerce, Manchester, Conn.; by O. M. Nilson, et al.

First National Bank, McComb, Miss.; by W. R. Caston, et al.

National Bank of John A. Black, Barboursville, Ky.; by John A. Black, et al.

First National Bank, Lafayette, Ga.; by W. S. Witham, et al.

National Bank of Commerce, Dodge City, Kans.; by H. A. Burnett, et al.

Montrose National Bank, Montrose, Colo.; by Geo. O. Gilbert, et al.

Tamaqua National Bank, Tamaqua, Pa.; by Franklin P. Spiese, et al.

German-American National Bank, Mitchell, S. D.; by W. A. Heimberger, et al.

German National Bank, Weatherford, Okla.; by C. A. Galloway, et al.

First National Bank, Hood River, Ore.; by F. W. Mulkey, et al.

First National Bank, Plymouth, Ill.; by W. A. Smith, et al.

Economy National Bank, Economy, Pa.; by F. C. Schroeder, et al.

Citizens' National Bank, Meridian, Miss.; by W. A. Brown, et al.

First National Bank, Edinboro, Pa.; by W. Perry, et al.

First National Bank, Byars, I. T.; by W. C. Jandt, et al.

First National Bank, Catlin, Ill.; by W. S. Douglas, et al.

First National Bank, Shamrock, Texas; by J. M. Shelton, et al.

National Bank of Commerce, Guthrie, Okla.: J. W. McNeal, et al.

Application for Conversion to National Banks Approved.

Finley State Bank, Finley, N. D.; into First National Bank.

Judith Basin Bank, Lewistown, Mont.; into First National Bank.

Tripoli Savings Bank, Tripoli, Iowa; into First National Bank.

National Banks Organized.

7186—State Nat. Bank, Albuquerque, New Mexico. Capital, $100,000; Pres., O. N. Marron; Vice-Pres., D. A. McPherson; Cas., J. B. Herndon: Asst. Cas., Roy McDonald.

7187—First National Bank, New Holland, Ohio. Capital, $25,000; Pres., A. L. Hyde; Vice-Pres., M. S. Bartholomew; Cas., Seymour Thomas.

7188—First National Bank, Dunn, N.C. Capital, $25,000; Pres., Will H. McDonald; Vice-Pres., Geo. K. Grantham.
7189—First National Bank, Sioux Rapids, Iowa. Capital, $50,000; Pres., J. P. Farmer; Cas., Thomas M. Murdoch.
7190—First National Bank, Madison, Fla. Capital, $50,000; Pres., M. C. Drew; Vice-Pres., L. A. Fraleigh; Cas., T. C. Smith.
7191—First National Bank, Pennsboro, West Va. Capital, $25,000; Pres., Creed Collins; Vice-Pres., Richard Wanless and L. P. Wilson; Cas., E. M. Carver.
7192—First National Bank, Meade, Kan. Capital, $25,000; Pres., John B. Buck; Vice-Pres., Geo. S. Selvidge; Cas., F. W. Curl.
7193—Swarthmore National Bank, Swarthmore, Pa. Capital, $50,000; Pres., A. H. Tomlinson; Vice-Pres., David L. Lukens; Cas., Isaac Roberts.
7194—Morris County National Bank, Naples, Tex. Capital, $35,000; Pres., J. H. Mathews; Vice-Pres., J. C. Martin; Cas., D. A. Cook; Asst. Cas., W. W. Robison.
7195—First National Bank, Overbrook, Kan. Capital, $25,000; Pres., B. Hardisty; Cas., E. J. Hilkey.
7196—First National Bank, Halstad, Minn. Capital, $25,000; Pres., H. Thorson; Vice-Pres., Joseph Lockey.
7197—First National Bank, Mill Creek, I. T. Capital, $25,000; Pres., A. B. Dunlap; Vice-Pres. and Cas., J. M. Browning; Asst. Cas., B. H. Graves.
7198—First National Bank, Newcastle, Wyo. Capital, $25,000; Cas., John L. Baird.
7199—First National Bank, Le Sueur, Minn. Capital, $25,000; Pres., E. L. Welch; Vice-Pres., W. H. Tomlinson; Cas., Harry F. Weis.
7200—First National Bank, Shaw, Miss. Capital, $30,000; Pres., Henry Dugan; Vice-Pres., F. M. Hanks; Cas., Jacob K. Meadow.
7201—First National Bank, Mansfield, Texas; Capital, $25,000; Pres., S. T. Marrs; Vice-Pres., Troy Hackler; Cas., H. P. Mabry.
7202—First National Bank, Sonora, Cal. Capital, $25,000; Pres., Paul Morris; Vice-Pres., N. L. Knudsen; Cas., C. A. Belli.
7203—Coal and Iron National Bank, New York, N. Y. Capital, $300,000; Pres. J. T. Sproull; Vice-Pres., Anthony A. Lisman and David Taylor; Cas., Addison H. Day.
7204—First National Bank, Elwood, Neb. Capital, $25,000; Pres., Jno. M. Ragan; Vice-Pres., E. Shallenberger; Cas., Jno. M. Ragan, Jr.
7205—First National Bank, Albany, Mo. Capital, $30,000; Pres., R. L. Whaley.
7206—First National Bank, Martinsville, Va. Capital, $50,000; Pres., E. L. Williamson; Vice-Pres., H. C. Lester; Cas., J. C. Greer.
7207—Farmers' National Bank; Lexington, Okla. Capital, $25,000; Pres., S. C. Hawk; Vice-Pres., H. A. Hawk; Cas., F. J. Hawk.
7208—First National Bank, Gate City, Va. Capital, $28,500; Pres., I. P. Kane; Cas., N. M. Horton.
7209—First National Bank, Berwyn, Ind. Ter. Capital, $25,000; Pres., G. W. Young; Vice-Pres., F. W. Fisher and C. W. Henderson; Cas., Chas. Bohnke.
7210—First National Bank, Ventura, Cal. Capital, $50,000; Pres., John Carne; Vice-Pres., Felix W. Ewing; Cas., E. W. Carne.
7211—First National Bank, Delmar, Del. Capital, $30,000; Pres., J. P. Morris; Vice-Pres., Peter S. Schockley; Cas., S. Ker Slemons; Asst. Cas., Arthur W. Ellis.
7212—Adams National Bank, Devine, Texas; Capital, $50,000; Pres., W. B. Adams; Vice-Pres., C. M. Thompson; Cas., A. M. Patterson.
7213—First National Bank, Graceville, Minn. Capital, $25,000; Pres., John McRae; Vice-Pres., C. J. McRae and R. J. McRae; Cas., J. A. McRae; Asst. Cas., G. A. Bruce.
7214—First National Bank, Alpine, Tex. Capital, $25,000; Pres., C. A. Brown; Cas., J. H. Derrick.
7215—Bell National Bank, Pineville, Ky. Capital, $25,000; Cas., E. G. Conant.
7216—First National Bank, Greenwood, Miss. Capital, $250,000; Pres., E. R. McShane; Vice-Pres., A. McC. Kimbrough; Cas., W. T. Loggins; Asst. Cas., A. R. Bern.
7217—First National Bank, Stigler, Ind. Ter. Capital, $25,000; Pres., Sam Rose; Vice-Pres., John C. Foster; Cas., Chas. C. Sloan.
7218—Fredonia National Bank, Fredonia, Kan. Capital, $25,000; Pres., D. F. Clark; Vice-Pres., E. H. Russell; Cas., A. A. Clark.
7219—First National Bank, Alturas, Cal. Capital, $40,000; Pres., C. A. Estes; Vice-Pres., D. C. Berry; Cas., B. F. Lynip.
7220—First National Bank, Tallapoosa, Ga. Capital, $25,000; Pres., Wm. S. Witham; Vice-Pres., Geo. W. Sheppard; Cas., Rowe Price; Asst. Cas., F. D. Kirven.
7221—First National Bank, Lamberton, Minn. Capital, $25,000; Pres., Wilson C. Brown; Vice-Pres., Chas. Chester; Cas., George J. Grimm; Asst. Cas., H. M. England.
7222—First National Bank, Lyndon, Kans. Capital, $25,000; Pres., E. Olcott; Vice-Pres., Thomas Williams; Cas., A. L. Wilson; Asst. Cas., W. C. Wilson.
7223—First National Bank, Englishtown, N. J. Capital, $25,000; Pres., T. W. Burtt; Vice-Pres., John A. Stults; Cas., F. D. Clayton.
7224—First National Bank, Brillion, Wis. Capital, $25,000; Pres., Chas. Bruss; Vice-Pres., Frank F. Becker, Cas., Geo. E. Dawson.

NEW BANKS, BANKERS, ETC.

ARKANSAS.

ARGENTA—Twin City Bank (successor to Faucette Bros.); capital, $50,000; Pres., J. P. Faucette; Vice-Pres., John G. Vogel; Cas., O. B. Anderson.

COTTON PLANT—Planters' Bank; capital, $12,500; Pres., Robert C. Lynch; Vice-Pres., Thomas C. Carter; Cas., John J. Bowman.

HARRISON—Gordon's Bank; capital, $17,000; Pres., J. R. Holt; Vice-Pres., C. S. Denton; Cas., W. F. Gordon; Asst.Cas., Joe Lockhart.

SEARCY—Searcy Bank; capital, $30,000; Pres., W. M. Watkins; Vice-Pres., J. B. Grammer; Cas., H. P. Gorman.

CALIFORNIA.

BERKELEY—South Berkeley Bank; capital, $10,000; Pres., J. L. Barker; Vice-Pres., Gad Alwyn; Cas., E. K. Cole.

HIGHLAND—First Bank; capital, $30,000; Pres., Herbert W. Johnstone; Vice-Pres., Chas. C. Browning; Cas., Wakefield Phinney.

LOS ANGELES—Home Savings Bank; capital, $100,000; Pres., R. J. Waters; Vice-Pres., W. F. Swazey; Cas., O. J. Wigdal.

REDWOOD CITY—Savings and Trust Co. of San Mateo County; capital, $25,000; Pres., Geo. R. Sneath; Vice-Pres., Wm. Hughes; Cas., L. B. Thomas; Sec., Chas. E. Dugan.

SOUTH PASADENA—South Pasadena Bank; capital, $25,000; Pres., G. W. E. Griffith; Vice-Pres., Edwin Cawston.

FLORIDA.

WAUCHULA—Carlton & Carlton; Pres., Albert Carlton; Cas., C. J. Carlton; Asst. Cas., E. T. Becker.

GEORGIA.

IRWINVILLE—Bank of Irwinville; Pres., John H. Powell; Vice-Pres., Jos. B. Clements; Cas., D. J. Henderson, Jr.

SPARTA—Bank of Sparta (successor to Sparta Banking Co.); capital, $12,500; Pres., E. A. Rozier; Vice-Pres., Jno. L. Culver; Cas., J. D. Burnett.

WHITEPLAINS—Bank of White Plains; capital, $15,000; Pres., John D. Walker; Vice-Pres., C. C. King.

IDAHO.

GLENNS FERRY—Glenns Ferry Bank; capital, $10,000.

LEWISTON—Commercial Trust Company (successor to Idaho National Bank); capital, $1,000,000; Pres., W. P. Hurlbut; Vice-Pres., G. W. Thompson; Sec. and Treas., E. D. Thomas; Asst. Sec., James Aspoas.

RATHDRUM—Rathdrum State Bank (successor to Bank of Commerce); capital, $25,000; Pres., Stewart Young; Vice-Pres., Frank Wenz; Cas., R. E. Young; Sec., J. C. Callahan.

ILLINOIS.

BETHANY—Scott State Bank (successor to Exchange Bank); capital, $30,000; Pres., A. R. Scott; Vice-Pres., Hugh Scott; Cas., T. A. Scott; Asst. Cas., S. J. Scott.

BONFIELD—First Bonfield Bank; Pres., A. A. Chester; Cas., F. A. Chester; Asst. Cas., W. A. Chester.

ELLIS GROVE—Bank of Ellis Grove; capital, $10,000; Pres., H. Beare; Vice-Pres., A. G. Neuling; Cas., H. R. Roberts.

HERRICK—Bank of Herrick; Pres., J. C. Whittington; Vice-Pres., Logan Nance; Cas., H. J. Greene; Asst. Cas., G. S. Bolt.

MAHOMET—Home Bank; capital, $20,000; Pres., R. G. Rayburn; Vice-Pres., W. O. Dale; Cas., J. N. Black.

NORRIS CITY—Norris City State Bank (successor to Bank of Norris City); capital, $25,000; Pres., T. S. Barnes; Vice-Pres., R. R. Grant; Cas., W. H. Campbell; Asst. Cas., Thomas M. Edmonds.

TUSCOLA—Farmers and Traders' Bank; capital, $30,000; Pres., F. H. Jones; Vice-Pres., J. R. Beggs; Cas., H. C. Jones.

INDIANA.

AUBURN—State Bank; capital, $50,000; Pres., Jacob Keller; Vice-Pres., Ike Straus; Cas., Jonas Schloss.

GOSPORT—Gosport Bank (successor to Henry & Pritchard); Pres., James R. Henry; Vice-Pres., Nathan C. Gray; Cas., W. A. Montgomery.

HAMLET—Bank of Starke County; capital, $10,000; Pres., D. H. Stanton; Vice-Pres., J. L. Denant; Cas., Orris Booth.

OTWELL—Otwell State Bank; capital, $25,000; Pres., R. M. Craig; Vice-Pres., C. E. Wiscover; Cas., R. M. Gray.

PERU—Peru Trust Co.; capital, $100,000; Pres., E. W. Shirk; Vice-Pres., R. A. Edwards; Sec., E. L. Miller.—Wabash Valley Trust Co.; capital, $100,000; Pres., B. R. Wallace; Vice-Pres., C. H. Brownell and F. R. Fowler; Treas., C. R. Hughes; Sec., M. W. Sullivan.

WHEATLAND—Farmers and Merchants' Bank; capital, $10,000; Cas., H. S. Anderson; Vice-Pres., Edward Watson; Cas., H. S. Anderson.

INDIAN TERRITORY.

BOYNTON—Farmers and Merchants' Bank; capital, $10,000; Pres., Geo. McLagan; Vice-Pres., W. D. Cornelius; Cas., R. W. Martin; Asst. Cas., Alva Wright.

HAILEYVILLE—Bank of Commerce; capital, $25,000; Pres., Wm. H. Horine; Vice-Pres., H. C. Hindman; Cas., S. P. Bennett; Asst. Cas., W. E. B. Leonard.

KREBS—Miners and Merchants' Bank; capital, $5,000; Pres., J. J. Brewer; Vice-Pres., E. R. Craig; Cas., Victor P. Buell.

OOLAGAH—Bank of Oolagah; capital, $5,000; Pres., Edgar Pleas; Vice-Pres., Frank Dowell; Cas., J. E. Turner.

WANN—Investment Bank; capital, $10,000; Pres., J. H. Strain; Cas., F. P. Rees.

SOUTH MCALESTER—Union Exchange Bank; capital, $100,000; Pres., J. A. Hill; Vice-Pres., H. L. Hull; Cas., J. T. Lockard.

IOWA.

BONDURANT—Bank of Bondurant (successor to Bondurant Bank); capital, $13,000; Pres., M. E. Gannon; Vice-Pres., C. O. Prouty; Cas., B. F. Rotherock.

MADRID—Farmers' Savings Bank (successor to Schooler & Son); capital, $15,000; Pres., John Van Zandt; Vice-Pres., Lewis Schooler; Cas., Dean Schooler; Asst. Cas., Walter Canaday.

MINGO—Mingo Trust and Savings Bank; capital, $15,000; Pres., J. O. Stark; Vice-Pres., F. R. Witmer; Cas., A. W. Frey.

NEWTON—Citizens' State Bank (successor to Farmers and Merchants' Bank); capital, $60,000; Pres., F. L. Maytag; Vice-Pres., Chas. Seeberger; Asst. Cas., Joe Horn and O. H. Witmer.

TINGLEY—Tingley Savings Bank (successor to Tingley Bank); capital, $20,000; Pres., H. R. Boyd; Vice-Pres., J. J. Baxter; Cas., A. R. Hass; Asst. Cas., Chas. Hover.

KANSAS.

ALDEN—Alden State Bank; capital, $10,000; Pres., C. N. Fair; Vice-Pres., Geo. A. Morris; Cas., Z. W. Ross; Asst. Cas., James Fair.

ALTOONA—Altoona State Bank; capital, $15,000; Pres., J. F. Gunby; Vice-Pres., L. L. Lagg; Cas., W. F. Lay.

FRONTENAC—Frontenac State Bank; capital, $10,000; Pres., Jacob Dittmann; Vice-Pres., G. W. Shelby; Cas., R. W. Gudgen.

GOODLAND—Goodland State Bank; capital, $10,000; Pres., J. W. Tibbels; Vice-Pres., Thomas P. Leonard; Cas., Ira Wolfe.

MEDICINE LODGE—People's State Bank; capital, $10,000; Pres., F. B. Chapin; Vice-Pres., E. S. Rule; Cas., W. L. Cushenbery.

PARTRIDGE—Partridge State Bank; capital, $10,000; Pres., J. D. Earhart; Vice-Pres., A. B. Burke; Cas., German French, Jr.

KENTUCKY.

CANNEL CITY—Morgan County Bank; capital, $7,500; Pres., M. L. Conley; Vice-Pres., J. F. Lykens; Cas., Luke Powell; Asst. Cas., Bernard Howard.

CENTERTOWN—Centertown Deposit Bank; capital, $15,000; Pres., W. A. Rone; Vice-Pres., Alvin Rowe; Cas. H. H. Gerwig.

SCOTTSVILLE—Citizens' Bank; Pres., B. S. Huntsman; Vice-Pres., J. L. Willoughby; Cas., W. N. Cook.

FRANKLINTON—Bank of Franklinton; capital, $30,000; Pres., W. W. Babington; Vice-Pres., W. E. Bickham; Cas., Robert Babington, Jr.

GREENSBURG—Bank of Greensburg; capital, $15,000; Pres., M. L. Naul; Vice-Pres., C. J. Cole; Cas., J. H. Womack; Asst. Cas., R. E. Cole.

MANY—Many State Bank; capital, $20,000; Pres., Silas D. Ponder; Vice-Pres., A. Dover; Cas., W. J. Powell.

WATERPROOF—Bank of Waterpooof; capital, $25,000; Pres., N. B. Hunter; Vice-Pres. and Cas., B. C. Andrews.

MICHIGAN.

UNIONVILLE—State Savings Bank (successor to Citizens' Bank); capital, $20,000; Pres., H. A. Nichols; Vice-Pres., C. A. Hofmester; Cas., J. C. Purdy.

MINNESOTA.

GEORGETOWN—State Bank; Pres., A. M. Eckman; Vice-Pres., P. O. Ingberg; Cas., Theo. S. Nelson.

KANDIYOHI—State Bank; capital, $10,000; Pres., Henry Stine; Vice-Pres., Nels Norell; Cas., N. J. Oredson.

TORAH—German-American State Bank; capital, $15,000; Pres., F. H. Wellcome; Vice-Pres., Fredolin Wurst; Cas., R. T. Zempel.

MISSISSIPPI.

ABERDEEN—Monroe Banking and Trust Co.; capital, $60,000; Pres., H. J. B. Lann; Vice-Pres., E. O. Sykes; Cas., W. H. Carlisle.

GREENWOOD—Greenwood Savings Bank; capital, $25,000; Pres., W. F. Loggins; Vice-Pres., R. F. Jones; Cas., E. R. McShane.

MOUND BAYOU—Bank of Mound Bayou; capital, $5,000; Pres., J. W. Francis; Vice-Pres., B. H. Creswell; Cas., Chas. Banks.

PALMETTO HOME—Silver City Bank; capital, $25,000; Pres. R. C. Stubblefield: Vice-Pres., S. R. Berry; Cas., L. K. Lambert.

PELAHATCHIE—Pelahatchie Bank; capital, $10,000; Pres., J. A. Spain; Vice-Pres., C. W. Taylor; Cas., R. V. Sheets.

PURVIS—Lamar County Bank; Pres., C. V. Hathron; Vice-Pres., James O'Connell; Cas., Vance R. McDonald.

ROXIE—Bank of Roxie; capital, $30,000; Pres., H. G. Butler; Vice-Pres., W. J. Strahan; Cas., V. M. Roby.

TCHULA—Merchants and Planters' Bank; capital, $30,000; Pres., R. E. Warfield; Vice-Pres., Ira Jones; Cas., J. H. Hubert.

TUTWILER—Bank of Tutwiler; capital, $50,000; Pres., W. Harrison; Vice-Pres., J. O. Clay; Cas., R. P. Turner.

WOODVILLE—Citizens' Bank; capital, $20,000; Pres., James M. Sessions; Vice-Pres., Henry Johnson; Cas., E. W. Holland.

MISSOURI.

EDINA—R. M. Biggerstaff Bank; capital, $20,000; Pres., R. M. Biggerstaff; Cas., A. G. Biggerstaff; Asst. Cas., P. K. Gibbons.

GREEN RIDGE—People's Bank; capital, $700; Pres., M. Doherty; Vice-Pres., James S. Ream; Cas., W. A. Sanders.

KELSO—Farmers and Merchants' Bank; capital, $10,000; Pres., Jules C. Drury; Vice-Pres., Michael Welter; Cas., Lee L. Albert.

SKIDMORE—Bank of Skidmore; capital, $10,000; Pres., D. W. Porter; Vice-Pres., E. M. Miller; Cas., J. B. Ross.

ST. JAMES—Phelps County Farmers' Bank: capital, $5,000; Pres., G. W. Bell; Vice-Pres., W. H. Brewer; Cas., R. Z. Matlock; Asst. Cas., J. R. Matlock.

TRUXTON-Truxton Bank; capital, $5,000; Pres., N. L. Drimert; Vice-Pres., S. V. Aychlatt; Cas., John M. Bebermeyer.

NEBRASKA.

MAXWELL—Maxwell State Bank: capital, $5,000: Pres., W. H. McDonald: Vice-Pres., A. W. Plumer; Cas., W. H. Plumer; Asst. Cas., A. C. Plumer.

NEVADA.

ELKO—Eureka County Bank; capital, $100,-000; Pres., Oscar J. Smith; Vice-Pres., Bert L. Smith; Cas., Richard H. Mallett.

NEW YORK.

PLEASANTVILLE — Mount Pleasant Bank; capital, $25,000; Pres., S. Wood Cornell; Vice-Pres., Anthony A. Lisman; Second Vice-Pres., W. S. Lane; Cas., B. H. Carmer.

NORTH DAKOTA.

FARGO—Commercial Bank: capital, $50,000; Pres., W. C. Macfadden: Vice-Pres., F. C. Gardner; Cas., H. C. Plimpton.

OHIO.

COLUMBUS—North Side Savings Bank; capital, $25,000: Pres., E. M. Parker: Vice-Pres., Joseph Cratty; Cas., James E. Fippen.

MORRISTOWN—Morristown Bank; Pres., E. Neff; Vice-Pres., J. F. Neff; Cas., D. C. Strahl.

OKLAHOMA.

ALVA—Bank of Commerce; capital, $10,000; Pres., E. Rall; Vice-Pres., F. W. Hanford; Cas., L. A. Westfall.

CHOCTAW — State Bank: capital, $10,000; Pres., Whit M. Grant; Vice-Pres., K. L. Miles; Cas., B. F. Miles.

COVINGTON — Bank of Covington: capital, $5,000; Pres., Joseph Dvorak; Vice-Pres., W. A. Smith; Cas., C. R. Higdon.

HELENA—Bank of Helena; capital, $10,000; Pres., F. W. Edwards; Vice-Pres., H. M. Spalding; Cas., H. H. Anderson.

MOUNTAIN VIEW—Farmers and Merchants' Bank; capital, $10,000: Pres., L. C. West; Vice-Pres., J. T. Sowers; Cas., T. E. Givens.

WHEATLAND—Farmers' State Bank; capital, $10,000; Pres., J. Hack Chenoweth; Vice-Pres., Pat'k Purcell: Cas., M. M. Williams.

OREGON.

BROWNSVILLE—Hume & Co.; capital, $8,000; Mgr., Peter Hume.

PENNSYLVANIA.

COAL CENTER — Bank of Coal Center; capital, $50,000; Pres., R. B. Drum; Vice-Presidents, Geo. S. Hornbake and S. S. Jackman; Cas., C. H. Drum; Asst. Cas., Geo. S. Hornbake, Jr.

SOUTH CAROLINA.

AIKEN—Union Bank and Trust Co.; capital, $50,000; Pres., Wm. S. Reamer: Vice-Pres., O. P. Hurd; Cas., Wm. F. Aston.

SOUTH DAKOTA.

BANCROFT — State Bank; capital, $5,000; Pres., Daniel Thompson; Vice-Pres., Wm. J. Agnew; Cas., W. M. Mason.

CLARK—Ware & Griffin Bank; capital, $25,-000; Pres., Fred Ware; Cas., G. C. Griffin.

TENNESSEE.

HUNTINGTON—Citizens' Bank; capital, $25,-000; Pres., Wilson Enochs; Vice-Pres., John Spellings; Cas., A. W. Foster.

UNION CITY—Union City Bank and Trust Co.; capital, $35,000; Pres., R. P. Whitesell; Vice-Pres., Seid Waddell; Cas., R. F. Moore; Asst. Cas., A. L. Garth.

TEXAS.

VELASCO—Bank of Velasco (successor to Velasco National Bank); Pres., V. E. Hoskins; Cas., W. W. Hoskins; Asst. Cas., Rees P. Sweeny.

VIRGINIA.

COURTLAND—Merchants and Farmers' Bank (branch of Franklin).

DANVILLE—Home Savings Bank; Pres., A. M. Southall; Vice-Pres., F. L. Chapman; Cas., W. H. Barker.

WASHINGTON.

ENUMCLAW—Bank of Enumclaw: Pres., A. W. Stone; Cas., A. F. Stone.

MISSION — Farmers and Merchants' Bank; capital, $5,000; Pres., J. M. Tompkins; Cas., E. F. Stowell.

WISCONSIN.

PITTSVILLE—Pittsville State Bank; capital, $10,000; Pres., John F. Sims: Vice Pres., W. B. Jansen; Cas., T. S. Saby.

CANADA.

ONTARIO.

METCALFE—Union Bank of Canada; Wm. M. Macpherson, Mgr.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

OXFORD—First National Bank; James R. Draper, Vice-Pres.; O. W. Cooper, Cas.; T. A. Howle, Asst. Cas.

ARKANSAS.

EARL—Bank of Earl; W. N. Brown, Jr., Pres., deceased.

CALIFORNIA.

LOS ANGELES—Southwestern National Bank: H. B. Kay and E. D. Elliott, Asst. Cashiers. ——First National Bank; capital increased to $500,000.

OCEANSIDE — Bank of Oceanside; W. V. Nichols, Pres. in place of Geo. B. Hart.

CONNECTICUT.

NEW BRITAIN—Burritt Savings Bank; William L. Damon, Vice-Pres. in Place of R. G. Hibbard.

NEW HAVEN—Newton & Parish; M. B. Newton, deceased.

STAFFORD SPRINGS—First National Bank; Cyril Johnson, Pres. in place of E. C. Dennis; Christopher Allen, Vice-Pres.

WILMINGTON—Union National Bank; J. C. Gibson, Cas. in place of John H. Danby; John H. Danby, Vice-Pres.——Wilmington Savings Fund Society; W. Palmer, Pres. in place of W. M. Canby.——Security Trust and Safe Deposit Co.; William R. Brinckle, Vice-Pres., deceased.

DISTRICT OF COLUMBIA.

WASHINGTON—Union Savings Bank; D. Fulton Harris, Treas. in place of John B. Sleman, Jr.

FLORIDA.

PERRY—Citizens' Bank; H. Lane Young, Cas., resigned.

ST. PETERSBURG—West Coast Bank; T. A. Chancellor, Cas. in place of John M. Clark, resigned.

GEORGIA.

AUGUSTA—Augusta Savings Bank; capital increased to $50,000.

IDAHO.

COEUR D'ALENE—Exchange National Bank; A. V. Chamberlin, Cas. in place of Harry A. Kunz.

ILLINOIS.

CHICAGO—Commercial National Bank; Jos. T. Talbert, Vice-Pres. in place of John C. McKeon.——Fort Dearborn National Bank; Nelson N. Lampert, Vice-Pres.; H. R. Kent, Cas. in place of Nelson N. Lampert.

EAST ST. LOUIS—First National Bank; Ben P. Goodwin, Cas. in place of John J. McLean, Jr.; James E. Combe, Asst. Cas. in place of Paul S. Abt.

LE ROY—First National Bank; Geo. E. Dooley, 2d Vice-Pres. in place of James S. Coon; James S. Coon, Cas. in place of David Crumbaugh; Ella L. Rees, Asst. Cas.

PEORIA—Dime Savings Bank, Title and Trust Co. and Anthony Loan and Trust Co.; reported consolidated.

STONINGTON—First National Bank; O. Z. Housley, Pres. in place of A. B. Chapman, Jr.; Cornelius Drake, Cas. in place of J. Irving Owen; J. Irving Owen, Asst. Cas.

INDIANA.

VALPARAISO—Thrift Trust Co.; John Wark, Vice-Pres. deceased.

INDIAN TERRITORY.

ARDMORE—City National Bank; V. C. Carr, Asst. Cas.

TISHOMINGO—First National Bank; Herman C. Schultz, Cas. in place of W. C. Rudisill.

IOWA.

BURLINGTON—Merchants' National Bank; Lyman Edwards, Pres. in place of T. W. Barhydt; H. J. Hungerford, Cas.

CHARLES CITY—Commercial National Bank; no Cashier in place of F. C. Fisher; Clarence Seaman, Asst. Cas.

DAVENPORT—Farmers and Mechanics' Savings Bank; Julius C. Hasler, Cas.

DES MOINES—Iowa National Bank; H. T. Blackburn, Cas. in place of Leland Windsor.

DUNKERTON—First National Bank; W. W. Beal, Jr., Cas. in place of Morton T. Blake.

ESSEX—Commercial National Bank; John F. Ekroth, Cas., deceased.

LINN GROVE—First National Bank; N. O. Monserud, Cas. in place of Adelbert Tymeson, Jr.

MUSCATINE—Muscatine Savings Bank; Chas. Page, Cas., deceased.

OSKALOOSA—Oskaloosa Savings Bank; J. W. Hammond, Cas., deceased.

KANSAS.

CHANUTE—Bank of Commerce; capital increased to $50,000; H. E. Yockey, Pres.; J. F. Roe, Cas.

MARQUETTE—Marquette State Bank; P. F. Lindth, Pres., deceased.

KENTUCKY.

BOWLING GREEN—Citizens' National Bank; R. W. Covington, Pres. in place of T. J. Smith, deceased; Robert Rodes, Jr.; Vice-Pres. in place of R. W. Covington.

HENDERSON—Planters' State Bank; Ingram Crocker, Cas. in place of David Banks, resigned.

LEXINGTON—Lexington City National Bank; capital increased to $400,000.

LOUISA—First National Bank; G. W. Gunnell, Pres. in place of Alexander Lackey, deceased; A. J. Garred, Vice-Pres. in place of G. W. Gunnell.

NEWPORT—German National Bank; J. P. Weckman, Pres. in place of Louis K. Marty, deceased.

TOMPKINSVILLE—Deposit Bank of Monroe Co.; Robert H. Richardson, Pres., deceased.

LOUISIANA.

NEW ORLEANS—Canal Bank and Trust Co.; E. H. Keap, Cas. in place of Edgar Nott, deceased.

MAINE.

BELFAST—Belfast National Bank; Wm. B. Swan, Pres. in place of John G. Brooks, deceased.

BRUNSWICK—First National Bank; F. H. Wilson, Pres. in place of N. T. Palmer.

MARYLAND.

BALTIMORE—Commercial and Farmers' National Bank; W. A. Mason, Pres. in place of Charles E. Reiman.

MASSACHUSETTS.

BOSTON—Suffolk Savings Bank; Charles H. Parker, Vice-Pres., resigned.——Webster-Atlas National Bank; Joseph S. Bigelow, Vice-Pres.; J. L. Foster, Cas. in place of

Charles L. Riddle; Robt. E. Hill, Asst. Cas.

CHELSEA—County Savings Bank; Geo. W. Moses, Vice-Pres., resigned.

GLOUCESTER—Cape Ann Savings Bank; Sylvester Cunningham, Pres. in place of Allan Rogers.

HYANNIS—First National Bank; Walter B. Chase, Asst. Cas.

LAWRENCE—Merchants' National Bank; F. C. McDuffie, Vice-Pres. in place of W. E. Parker.

QUINCY — Quincy Savings Bank; Edwin Marsh, Pres. in place of R. F. Claflin.

TAUNTON—Bristol County Savings Bank; Joseph Edwards Wilbar, Pres., deceased.

WORCESTER—Worcester Safe Deposit and Trust Co.; title changed to Worcester Trust Co.

MICHIGAN.

DETROIT—Detroit Savings Bank; D. C. Delamater, Pres. in place of S. D. Miller, deceased.

GRAND RAPIDS — Kent County Savings Bank; A. H. Brabdt, Asst. Cas. in place of Arthur T. Slaght, resigned.

PAW PAW—First National Bank; George M. Harrison, Vice-Pres. in place of H. M. Pugsley.

MINNESOTA.

HILLS—First National Bank; A. C. Croft, Cas. in place of J. R. Wright, deceased; A. C. Croft, Jr., Asst. Cas. in place of A. A. Skattum.

LAKE BENTON—First National Bank; Hans Lavesson, Pres. in place of Chas. J. Weiser; K. G. Skartum, Vice-Pres. in place of Ben Bear; no 2d Vice-Pres. in place of John S. Tucker.

LE ROY—First National Bank; Conrad Hambrecht, Vice-Pres. in place of Soren Englesen, deceased.

LONG PRAIRIE—First National Bank; W. L. Paine, Pres. in place of Albert Rhoda; Albert Rhoda, Cas. in place of R. H. Harkens.

MANKATO—First National Bank; Stephen Lamm, Pres., deceased.

RUSHMORE—First National Bank; G. Innes, Vice-Pres. in place of James Porter.

SLEEPY EYE—First National Bank; F. A. Ruenitz, Asst. Cas. in place of S. J. Maurer.

MISSISSIPPI.

SARDIS—Bank of Sardis; C. Q. Moore, Pres. in place of J. C. Kyle.

MISSOURI.

CARTHAGE—Carthage National Bank; S. A. Stuckey, Pres. in place of J. L. Moore.

KANSAS CITY—Surety Trust Co. and Southwestern Trust Co.; consolidated under latter title.

MOUNTAIN GROVE—Mountain Grove Bank; capital increased to $80,000.

SAVANNAH—First National Bank; J. C. Kirtley, Asst. Cas.

ST. LOUIS — German Savings Institution; Richard Hospes, Cas., deceased.——Bankers' World's Fair National Bank; C. H. Huttig, August Gehner, N. A. McMillan, William H. Thomson and R. H. Hutchinson, Vice-Presidents; C. E. Bryan, Cas.

MONTANA.

LEWISTOWN—Judith Basin Bank; capital increased to $100,000.

NEBRASKA.

BLOOMFIELD—First National Bank; Fred Nehling, Vice-Pres. in place of A. H. Banks; T. J. Nehling, Asst. Cas. in place of Wm. Berridge.

CRETE - First National Bank; no Asst. Cas. in place of V. C. Spirk.

WEST POINT—West Point National Bank; D. C. Giffert, Vice-Pres. in place of Otto Baumann, deceased.

NEW HAMPSHIRE.

NASHUA—Citizens' Institution for Savings; Ed. H. Wason, Pres. in place of Walter A. Lovering.

NEW JERSEY.

BELVIDERE--Belvidere National Bank; John B. Brookfield, Act. Cas. during absence of Cas.

CAPE MAY—First National Bank; Emlen Physick, Pres. in place of W. R. Wales.

LONG BRANCH—Long Branch Banking Co.; Henry Joline, Cas. in place of Henry W. Johnson, deceased; Anthony M. Holmes, Asst. Cas. in place of Henry Joline.

SOMERVILLE—Somerville Dime Sav'gs Bank; Wm. H. Taylor, Pres. in place of James J. Bergen; L. A. Thompson, Vice-Pres.

NEW YORK.

BROOKLYN—Williamsburgh Savings Bank; William E. Horwill, Vice-Pres., deceased. ——South Brooklyn Savings Bank; Henry S. Anderson, Treas., deceased.

COOPERSTOWN—Second National Bank; Geo. Van Horn, Vice-Pres. in place of Benjamin F. Murdock, deceased.

FORT EDWARD—First National Bank; Townsend J. Potter, Vice-Pres., deceased.

LOCKPORT—National Exchange Bank; Wm. E. McComb, Pres. in place of Timothy E. Ellsworth, deceased; A. C. Torell, Cas. in place of Wm. E. McComb.

MIDDLETOWN - First National Bank; D. C. McMonagle, Vice-Pres. in place of Harrison H. Crane, deceased.

MOUNT VERNON—Mount Vernon Trust Co.; Percy W. Shepard, Asst. Sec. and Asst. Treas.

NEW YORK—People's Bank; Geo. A. Zabriskie, Asst. Cas., deceased.——Metropolitan Trust Co.; Charles Baker, Jr., Sec. in place of Benjamin Strong, Jr.; Bertram Cruger, Treas.; James F. McNamara, Asst. Sec; Jacob C. Klinck, Asst. Treas.——Bankers' Trust Co.; Thomas W. Lamont, 2d Vice-Pres.; Daniel E. Pomeroy, Treas.; Benjamin Strong, Jr., Sec.——Mechanics' National Bank and Leather Manufacturers' National

Bank; consolidated under former title; Gates W. McGarrah, Pres.—Thirty-Fourth Street National Bank; Elgin R. L. Gould, Pres. in place of Bradford Rhodes, resigned. —New York National Exchange Bank; Frederick Worth, Vice-Pres. — United States Casualty Co.; James W. Hinkley, Pres., deceased.—National Park Bank; John C. McKeon and John C. Van Cleaf, Vice-Presidents. — Mercantile National Bank; Alfred W. Day, 2d Asst. Cas.— Guaranty Trust Co.; John W. Castles, Pres. in place of Walter G. Oakman.—East River National Bank; David Banks, Pres. in place of Raymond Jenkins, deceased.

OLEAN—Citizens' National Bank; Mark Van Campen, Asst. Cas. in place of J. O Clark.

SCHENECTADY—Schenectady Savings Bank; Everett Smith, Pres. in place of Cady Smith.

NORTH DAKOTA.

FARGO—Fargo National Bank; G. E. Nichols, Cas. in place of W. C. Macfadden.

HUNTER—First National Bank; A. W. Reynolds, Asst. Cas.

OHIO.

CINCINNATI—Ohio Valley National Bank; Emil Baur, Asst. Cas.

CIRCLEVILLE—Second National Bank; S. H. Ruggles, Pres., deceased.

CLEVELAND—Union National Bank; Henry C. Christy and J. F. Harper, Vice-Pres.; G. A. Coulton and W. E. Ward, Asst. Cas.— Citizens' Savings and Trust Co. and Prudential Trust Co.; reported consolidated under former title.

HAMILTON—Miami Valley National Bank; capital increased to $200,000; surplus, $60,-000.

LA RUE—Campbell National Bank; no Pres. in place of William Campbell, deceased; D. D. Clifton, Cas. in place of L. G. Copeland; C. G. Davis, Asst. Cas. in place of D. D. Clifton.

MARION—Marion County Bank; R. H. Johnson, Pres., deceased.

MONTPELIER—First National Bank; John Bailey, Pres. in place of C. M. Hathaway; E. A. Collins, Vice-Pres.

NORWALK—Citizens' Banking Co.; S. E. Simmons, Pres. in place of Frank H. Jones.

WARREN—Union National Bank and Warren Savings Bank; reported consolidated.

YOUNGSTOWN—First National Bank; Robert McCurdy, Pres., deceased.

OKLAHOMA.

BLACKBURN—Bank of Blackburn; capital increased to $15,000.

GUTHRIE — Guthrie Savings Bank; Caleb Brooks, Pres. in place of John Massey.

WEATHERFORD—National Exchange Bank; Chas. E. Shaw, Cas.—First National Bank; O. H. Cafky, Cas. in place of C. A. Galloway.

OREGON.

SUMPTER — First National Bank; Ed. W. Mueller, Vice-Pres.

PENNSYLVANIA.

ALLEGHENY—First National Bank; W. L. Guckert, Vice-Pres.; J. D. Kramer, Cas. in place of T. A. McNary; no Asst. Cas. in place of J. D. Kramer.

ATHENS—Athens National Bank; S. F. Robinson, Cas. in place of M. J. Murphy; H. N. Weller, Asst. Cas.

CATASAUQUA—National Bank of Catasauqua; Edwin Thomas, Pres. in place of Owen F. Fatzinger.

DANVILLE—First National Bank; I. X. Grier, Pres. in place of B. R. Gearhart, deceased.

ELLSWORTH—National Bank of Ellsworth; S. W. Rogers, Cas. in place of H. J. Miller; no Asst. Cas. in place of S. W. Rogers.

MCKEESPORT — People's Bank; Cyrus R. Stuckslager, Pres. and Cas., deceased.

MEDIA—Charter National Bank; Anne J. Darlington, Cas. in place of Caleb Needles, deceased.

MILLERSTOWN—First National Bank; James Rounsley, Vice-Pres.; James E. Rounsley, Cas.

MONESSEN—People's National Bank; Geo. Nash, Pres. in place of John Irons; Jesse Hancock, Cas. in place of B. F. Taylor.

PHILADELPHIA—First National Bank; J. Tatnall Lea, Pres. in place of Morton McMichael, deceased.—American Trust Co.; Wm. B. Vrooman, Pres.; Joseph K. Gamble, Vice-Pres.; J. S. Crawford, Sec. and Treas. in place of Chas. F. Kolb, deceased.—E. W. Clark & Co..; E. W. Clark, Sr., deceased.

PITTSBURG—Franklin Savings and Trust Co.; Clay Herrick, Sec. and Treas.—Pittsburg Trust Co.; C. B. McVay, Pres., resigned.— Diamond National Bank; D. C. Wills, Cas. in place of H. C. Wettengel; W. O. Phillips, Asst. Cas.—People's National Bank; S. C. Reed, Asst. Cas.—Colonial Trust Co.; A. D. Robb, Sec. in place of John A. Irwin; Geo. K. Reed, Asst. Sec.; Thomas C. Stephens, Asst. Treas.—Tradesmen's National Bank; T. B. Barnes, Cas. in place of H. M. Landis.

READING—Keystone National Bank; Ferdinand Goetz, Pres. in place of J. Hagenman, deceased; Geo. B. Schaeffer, Vice-Pres. in place of Ferdinand Goetz.

SCRANTON—North Scranton Bank; Wm. R. Cawley, Cas. in place of T. M. Symonds; Asst. Cas., Frank Muller.

TURTLE CREEK — National Bank of Turtle Creek; S. D. Hamilton, Asst. Cas.

SOUTH DAKOTA.

ALEXANDRIA—First National Bank; Geo. Ryburn, Vice-Pres. in place of Geo. R. Freeman.

MADISON—First National Bank; E. F. McCallister, Vice-Pres.

SISSETON—Citizens' Bank; Henry Helwig, Asst. Cas. in place of S. J. Simonson; no Second Asst. Cas. in place of Andrew Marwick.

TENNESSEE.

BRISTOL—National Bank of Bristol; title changed to First National Bank.

CLARKSVILLE—First National Bank; C. W. Bailey, Asst. Cas.

MORRISTOWN—First National Bank; C. V. Taylor, Pres., deceased.

TEXAS.

CENTER—First National Bank; W. I. Davis, Pres. in place of R. L. Parker.

CORSICANA—First National Bank; J. W. Whiteselle, First Vice-Pres. in place of Joseph Huey; Chas. H. Allyn, Second Vice-Pres.

DUBLIN — Citizens' National Bank; S. H. Prim, Vice-Pres. in place of R. W. Gray.

GROESBECK—Citizens' National Bank; L. B. Cobb, Jr., Asst. Cas.

MANOR—Farmers' National Bank; Thomas B. Palfrey, Vice-Pres.; L. L. Hudson, Asst. Cas.

WILLS POINT—Van Zandt County National Bank; C. S. Rhodes, Vice-Pres. in place of W. H. Wingo.

WORTHAM—First National Bank; Otho S. Houston, Vice-Pres. in place of J. H. Farrar; E. B. St. Clair, Cas. in place of J. M. Jones.

VIRGINIA.

ALEXANDRIA — Citizens' National Bank; Carroll Pierce, Asst. Cas.

FAIRFAX—National Bank of Fairfax; James W. Ballard, Cas. in place of S. R. Donohoe.

ROANOKE—People's National Bank; A. E. King, Pres. in place of Geo. H. P. Cole.

SOUTH HILL—Bank of South Hill; capital increased to $12,000.

WEST VIRGINIA.

CHARLESTOWN—Farmers and Merchants' Deposit Co.; S. L. Williams, Pres., deceased.

CLARKSBURG—Traders' National Bank; in hands of Receiver February 2; authorized to resume business April 13.

ELKINS—Randolph National Bank; O. A. Riley, Cas. in place of W. H. Keim.

MONTGOMERY - Montgomery National Bank; J. W. Montgomery, Vice-Pres.

WISCONSIN.

PESHTIGO—Peshtigo National Bank; F. E. McGraw, Pres. in place of Wm. Ellis, Jr.; S. D. Woodward, Vice-Pres. in place of Jas. F. Slight.

REEDSVILLE—State Bank; William B. Smith, Cas., deceased.

SUPERIOR—Bank of Commerce; Charles A. Chase, Vice-Pres. in place of A. P. Lovejoy; Edward L. Cass, Cas.; Joel S. Gates, Asst. Cas.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ALABAMA.

CLAYTON—Citizens' Bank.

COLORADO.

CRESTONE—San Luis Valley Bank.

CONNECTICUT.

PAWCATUCK—Pawcatuck National Bank; in voluntary liquidation April 8.

STONINGTON—Stonington Savings Bank; in liquidation.

INDIANA.

INDIANAPOLIS—Commercial Trust Co.

RENSSELAER—A. McCoy & Co's Bank.

IOWA.

BUCK GROVE—Bank of Buck Grove.

DOW CITY—Exchange Bank.

NEW PROVIDENCE—O. E. Miller & Son.

MONTANA.

NEIHART—State Bank; in voluntary liquidation.

NEW YORK.

NEW YORK CITY—Federal Bank.——Leather Manufacturers' National Bank; in voluntary liquidation April 16.——W. B. Mack & Co.

OHIO.

AKRON—Akron Savings Bank.

CLEVELAND—Federal Trust Co.

OKLAHOMA.

AUTWINE—Farmers' State Bank.

GUTHRIE—Capitol National Bank; in hands of Receiver April 4.

HOBART—Farmers and Merchants' National Bank; in hands of Receiver April 22.

MCLOUD - Citizens' Bank.

PONCA—Citizens' Bank.

Growth of the Gulf Ports.—Messrs. Fisk & Robinson, the well-known investment bankers of 35 Cedar street, New York, have just issued a descriptive pamphlet, with an industrial map of the United States, showing the advantages of the gulf ports by reason of their favorable location with reference to the Panama Canal.

According to the "Manufacturers' Record," the exports through Southern ports amounted in 1880 to $261,000,000; in 1890 to $306,000,000, and in 1903 to $508,000,000. There is no doubt that, with the completion of the Panama Canal, the growth of business of the Southern ports will be greatly accelerated.

The pamphlet and map will be found interesting and instructive to all concerned in the development of the country's trade and industry.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, May 2, 1904.

THE PANAMA CANAL PAYMENT, GOLD EXPORTS AND CHEAP MONEY gave financial centers something to think about last month. For a year past the transfer of the Panama Canal to the United States has been in prospect and late in the month it was announced that the transfer had been made, the purchase price of $40,000,000 being advanced by a syndicate of bankers in Paris. The payment by the Government was not completed at the close of the month. The Government will pay $40,000,000 to the syndicate which has paid the French Canal Company about May 10. There is an additional sum of $10,000,000 to be paid to the Panama Government. Of this $50,000,000 the Secretary of the Treasury expected to draw $27,000,000 from the bank depositaries and to take the remaining $23,000,000 from the Treasury. On the last day of the month the Secretary called upon the banks to pay over to the sub-Treasury in New York ten per cent. of their public deposits, these to be used in making payments for the canal purchase.

It is not definitely determined at this time how much actual gold is to be sent abroad on account of this transaction. The exports of gold in April were large, but how much were on account of the canal deal has not been disclosed. A shipment of $3,500,000 on April 30, made by J. P. Morgan & Co., seems to have been really the first gold exported directly on account of the canal purchase concerning which there could be no dispute. The gold export movement last month was exceptionally large, aggregating $18,725,000. This is far from being a record movement, however, and does not represent an actual loss of any such amount of gold. In fact the Treasury estimate of gold in the country on May 1 is $8,000,000 greater than on April 1. While we have been sending gold away Japan has been shipping gold to the United States, and exports from New York have been offset by imports at San Francisco.

In the last few years there have not been many large movements of gold from the United States. In May, 1903, we shipped net $18,025,428. In November, 1901, we exported gross $16,292,500, but the net exports were only $8,860,822. The largest gross exports were $18,084,938 in August, 1900; $20,908,327 in June, 1899; $19,110,985 in May, 1896; $25,929,828 in January, 1895; $27,406,801 in May, 1894; $19,148,964 in April, 1893; and $17,129,503 in June, 1892.

It is one of the remarkable features of the situation that gold exports are looked upon with favor among financial men at this time as a stimulant not only to the money market but to the stock market. How general the opinion is there is no means of ascertaining, but it has been expressed very frankly in various quarters. Money is too cheap, it is said, and there must be something done to get it out of the rut into which it has fallen. Statistically there has been a very large increase in the supply of money in the United States, not merely in one year, but for many years. The increase has been mainly in the class of money which is conceded to be best, that is gold. We have been drawing gold from abroad and keeping our home supply until our gold supply exceeds $1,350,000,000, an increase in five years alone of $370,000,000 and of $930,000,000 in the last eight years. Since May 1, 1896, nearly

$1,000,000,000 has been added to the money in actual circulation. The figures of increase are really extraordinary :

May 1.	Money in circulation.	Circulation per capita.
1896	$1,540,007,062	$21.65
1897	1,666,560,383	22.93
1898	1,806,761,442	24.33
1899	1,933,867,892	25.49
1900	2,060,525,463	26.58
1901	2,195.304,235	28.31
1902	2,260,750,242	28.66
1903	2,374,353,720	29.58
1904	2,532,645,135	31.02

It is hardly possible that there could be such an increase in the volume of money in circulation without some effect being produced. At first it unquestionably stimulated speculation, over-stimulated it indeed. But at the present time there is a very different condition from that which prevailed in 1900 and 1901. Then people wanted stocks and couldn't buy them, the factories could not run them out fast enough to supply the demand. Now the supply is large enough while the demand is unquestionably nil. The total transactions in stocks in a Stock Exchange house on one day last month was forty shares.

And that is the one striking fact which presents itself at the present time. There is an enormous quantity of money, and money both on call and on time is very cheap, but there is a stagnant stock market. Prices of securities have not declined, in fact there was a substantial advance in bonds last month and stocks generally gained something in value before the month closed. There appears, however, to be no buying disposition on the part of investors.

In seeking the cause there have been many theories advanced, and one which receives the sanction of many well-informed men has certainly some foundation in undeniable facts. The spectacle of the most prominent railroads in the country borrowing money at a high rate of interest on their notes is not suggestive of a very hopeful condition. It is estimated that since the beginning of the year more than $150,000,000 of temporary loans have been made by railroad companies. The notes bear a higher rate of interest than the companies which issue them are paying on their bonds, while the bankers placing the loans get a commission. Altogether it is an expensive form of borrowing and is also influencing unfavorably the investment market. Just how far the railroads are responsible for the situation which compels them to issue notes and prevents them from issuing bonds, is a mooted question. It is maintained that had the railroads been willing to issue their bonds at a reasonable discount from the 4 per cent. basis they had decided upon, they would have had no difficulty in getting the money they needed and at the same time the price of bonds would have gradually advanced. Whether that is a correct view or not the fact is obvious that there is a large new floating debt which must be funded some time in the future and the investing public knows the fact. When a railroad is forced to sell bonds it is not apt to get much of a concession as to interest.

As the railroads are borrowing money so extensively, and because they need it for various purposes of extension and improvement, attention naturally is directed to their earnings. Has the end of their present period of prosperity been about reached, is a question which will appeal to all classes of investors. If there is to be a falling off in earnings a material reduction in the profits of the railroads, what is to become of the dividends that have been increased in the last three or four years? In figuring values on the "4 per cent. basis" a 7 per cent. dividend-payer has been counted as worth 175, because $7 interest per annum is equivalent to 4 per cent. on $175. But if that stock was formerly paying only 5 per cent., and for a time paid no dividend, perhaps the road was in a Receiver's hands a few years, it is not easy

to work out the value of the stock "on a 4 per cent. basis" if the past history of the property is to be a factor in the calculation.

But should the conditions of prosperity which the railroads have enjoyed and benefited by in the last half dozen years cease to exist, what will become of the values built upon the 4 per cent basis?

It must be admitted that there is no gain in earnings at the present time. The severe winter will account for the decrease in net earnings which many of the roads suffered, but April gross earnings have not shown gains over those of a year ago. Increased expense ratios have been neutralizing previous gains in gross earnings and if these are no longer to increase the cause of net earnings will become of greater significance. The railroads during the period when they were overtaxed with business had to invent methods for handling it. To increase the train load was one method and that meant more powerful and expensive engines and larger cars. While traffic was at its height it was possible to secure perhaps maximum economy in operating with these large units, but as it slackened there has manifested itself evidence that these new devices are expensive both directly and collaterally. Along other lines the question how can expenses be reduced is gradually forcing itself upon the attention of railroad managers, and not the least difficult question is the one which relates to the cost of labor.

That there has been a modification of the views of investors on many important questions in the last couple of years has been evidenced in many ways. For instance, syndicates are not as popular or as dominant as they once were. The Steel Trust Syndicate is about to distribute what there is among the members and quit, although some millions of securities that were to be converted are still unconverted.

Now it looks as if "voting trusts" were going out of favor. The Erie, which has spent a good part of its life in the hands of voting trusts or Receivers, has been managed by a voting trust since January 1, 1896. The terms of the trust provided that a four per cent. dividend on the first preferred stock in any year would terminate the trust. The dividend was paid in the year ended February 29, 1904, and the stockholders were offered the opportunity to extend the voting trust until May 1, 1909. The stockholders did not seem to care to have the voting trust continued and notice has been given of its termination on May 2. Stockholders in the New York, Ontario & Western Railway are trying to have their "voting trust" discontinued or dissolved. It has been in operation some thirty years.

Congress adjourned on April 28, concluding one of the shortest sessions—of the long sessions—in the history of the national legislature. This being a Presidential year, it was natural enough that Congress should do as little as possible in the way of legislation, and this session ended with nothing done on important financial questions. The large aggregate of appropriations made by Congress has attracted attention and will serve for texts for campaign arguments. The Chairman of the House Committee on Appropriations estimated the total at $781,574,629, which sum includes $26,801,843 for deficits of previous years and $56,500,000 for sinking funds. This leaves a total of $698,272,786, while the estimated revenues for the coming year are $704,472,062. This would leave a surplus of a trifle more than $6,000,000.

That there has been an enormous increase in the expenditures of the Government in recent years admits of no question; whether justified or not we must leave to statesmen to dispute over. Senator Culberson presented figures in the Senate to show that the total expenditures under the present Administration were $2,640,-000,000, an increase of $211,000,000 compared with the previous four years, and of $883,000,000 compared with the four years ended 1896. Of the latter increase, $160,000,000 was for the civil administration, $231,000,000 naval, and $284,000,000 military.

While there has been a large increase in the expenditures for the army and navy in the years since hostilities with Spain began, the cost of operating the Government has also increased considerably. We show in the following comparative table the appropriations made by Congress for the years 1874, 1884, 1894 and 1904, which do not include sinking fund and interest payments nor, since 1874, appropriations for the Post Office Department:

	1874.	*1884.*	*1894.*	*1904.*
Deficiencies	$11,143,240	$2,832,680	$21,226,495	$19,651,968
Legislative, executive and judicial	18,170,441	20,763,843	21,866,303	27,598,654
Sundry civil expenses	32,173,258	23,713,504	27,550,158	61,763,709
Army	31,796,009	24,681,250	24,225,640	77,888,753
Navy	22,275,707	15,954,247	22,104,061	81,876,791
Indian service	5,505,219	5,388,656	7,884,240	5,540,407
Rivers and harbors	7,352,900	....	14,166,153	20,228,151
Forts and fortifications	1,899,000	670,000	2,210,055	7,188,416
Military Academy	344,317	318,657	432,556	652,749
Post Office Department	6,496,602	....	....	....
Pensions	30,480,000	86,575,000	166,531,350	139,847,600
Consular and diplomatic	1,311,359	1,296,255	1,557,445	1,968,250
Department Agriculture	....	405,640	3,223,500	5,978,160
District of Columbia	....	3,505,495	5,413,224	8,638,097
Miscellaneous	3,342,648	1,806,439	520,666	3,025,065
Total	$172,290,700	$187,911,566	$319,011,846	$464,846,770

The appropriations for 1874 are given on a paper currency basis, when the "greenback" was worth less than ninety cents. The coin value of the appropriations was about $154,000,000. In thirty years the appropriations have increased $310,000,000, in twenty years $277,000,000, and in ten years $145,000,000.

THE MONEY MARKET.—Money rules at very low rates in all branches of the market; call loans have kept pretty close to 1 per cent. most of the month, while time money goes begging at 2½ @ 3½ per cent. At the close of the month call money ruled at 1 @ 1¼ per cent., the average rate being about 1⅛ per cent. Banks and trust companies loaned at 1 @ 1¼ per cent. as the minimum rate. Time money on Stock Exchange collateral is quoted at 2¼ per cent. for 60 days, 2½ per cent. for 90 days, 2¾ per cent. for 4 months, 3 per cent. for 5 months, 3¼ @ 3½ per cent. for 6 to 7 months and 3¾ @ 4 per cent. for 8 to 9 months on good mixed collateral. For commercial paper the rates are 3¾ per cent. for 60 to 90 days' endorsed bills receivable, 3¾ @ 4¼ per cent. for first-class 4 to 6 months' single names, and 4½ @ 5 per cent. for good paper having the same length of time to run.

MONEY RATES IN NEW YORK CITY.

	Dec. 1.	*Jan. 1.*	*Feb. 1.*	*Mar. 1.*	*Apr. 1.*	*May 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	6 –9	6 –9	1¾–2	1¾–2	1½– 1¾	1 –1¼
Call loans, banks and trust companies	6 —	6 —	2 —	1¾—	1¾—	1 –1¼
Brokers' loans on collateral, 30 to 60 days	6 —	5¼– ⅛	3½– ¾	3 —	2½– 3	2¼—
Brokers' loans on collateral, 90 days to 4 months	5½–6	4½–5	4 —	3¼– ¾	3 – 3¼	2½– ¾
Brokers' loans on collateral, 5 to 7 months	5½—	5 —	4 – ¼	4 – ¼	3¾– 4	3 – ⅛
Commercial paper, endorsed bills receivable, 60 to 90 days	6 —	5½– ¾	4½–5	4¾–5	4¼– ½	3¾—
Commercial paper prime single names, 4 to 6 months	6 –6½	5¾–6	4¾–5¼	4¾–5¼	4½– 5	3¾–4¼
Commercial paper, good single names, 4 to 6 months	6½–7	6 –6½	5½–6	5½–6	5 – ½	4½ –5

NEW YORK CITY BANKS.—The month has witnessed remarkable changes in the condition of the banks. The arrangements for financing the Panama Canal purchase may be responsible in a measure for some of them, but there must be other influen-

ces at work to cause money to flow into the banks as it is doing, and loans to increase as they have with a one per cent. rate ruling for call loans. In the last four weeks of the month of April loans increased $27,000,000, deposits $45,000,000, specie reserve $12,000,000, legal tenders $5,000,000, and surplus reserve $5,000,000. Were these banks required to pay the entire $50,000,000 for the canal they would still have a reserve $21,000,000 larger than at the beginning of the year.

New York City Banks—Condition at Close of each Week.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Apr. 2...	$1,022,707,100	$223,890,100	$71,707,300	$1,069,869,400	$27,755,050	$36,880,000	$1,064,278,700
" 9...	1,038,533,000	223,101,400	71,193,200	1,085,512,800	22,916,400	35,622,800	1,155,994,100
" 16...	1,043,254,100	228,746,000	72,838,200	1,097,118,400	27,804,600	35,814,200	1,142,203,100
" 23...	1,046,390,300	236,157,500	75,389,800	1,109,874,400	34,203,700	35,725,000	1,103,616,600
" 30...	1,049,636,800	235,196,500	76,589,700	1,114,867,800	33,144,250	35,768,700	983,975,700

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	*1902.*		*1903.*		*1904.*	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$910,860,800	$7,515,575	$873,115,000	$10,193,850	$866,178,900	$9,541,850
February......	975,997,000	26,623,350	931,778,900	27,880,775	1,023,943,800	25,129,050
March.........	1,017,488,800	9,975,925	956,206,400	5,951,900	1,027,920,400	32,150,200
April..........	965,353,300	6,965,575	894,260,000	6,280,900	1,069,369,400	27,755,050
May...........	968,189,600	7,484,000	905,760,200	11,181,850	1,114,367,800	33,144,250
June..........	948,326,400	11,929,000	913,081,800	9,645,150	....	....
July	955,829,400	12,978,350	903,719,800	12,923,850	....	....
August........	957,145,500	13,738,125	908,864,500	24,060,075	....	....
September....	935,998,500	9,742,775	920,123,900	20,677,925	....	....
October.......	876,519,100	3,236,625	897,214,400	13,937,500	....	....
November....	893,791,200	21,339,100	885,616,600	10,274,150	....	....
December.....	883,836,800	15,786,300	841,552,000	6,125,200	....	....

Deposits reached the highest amount, $1,114,867,800, on Apr. 30, 1904; loans, $1,049,636,800 on April 30, 1904, and the surplus reserve $111,623,000 on Feb. 3, 1894.

Non-Member Banks—New York Clearing-House.

DATES.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
Apr. 2....	$81,886,100	$93,633,500	$3,490,300	$4,691,500	$11,796,500	$5,334,100	$1,904,025
" 9....	82,784,900	96,637,400	3,626,900	5,143,600	12,895,700	5,326,300	2,833,150
" 16....	81,997,700	95,812,600	3,641,800	5,097,600	12,821,100	5,784,100	2,891,450
" 23....	85,624,500	98,197,600	3,978,800	5,097,800	12,533,100	6,644,000	3,704,300
" 30....	86,246,900	100,473,100	3,835,000	5,206,200	13,691,200	6,849,800	4,463,925

Boston Banks.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Apr. 2.......	$174,499,000	$197,824,000	$16,441,000	$4,878,000	$7,248,000	$116,101,200
" 9.......	173,817,000	202,984,000	16,115,000	4,928,000	7,255,000	131,160,600
" 16.......	172,451,000	208,548,000	17,385,000	5,246,000	7,238,000	130,638,100
" 23.......	172,751,000	211,169,000	17,062,000	5,501,000	7,216,000	116,271,900
" 30.......	168,811,000	207,247,000	16,644,000	5,653,000	7,061,000	....

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Apr. 2	$190,519,000	$221,196,000	$58,936,000	$10,847,000	$90,770,400
" 9	191,296,000	224,670,000	60,153,000	10,905,000	117,063,700
" 16	189,544,000	228,485,000	64,050,000	10,928,000	109,329,700
" 23	189,168,000	229,451,000	65,934,000	10,894,000	113,269,900
" 30	190,020,000	228,593,000	65,020,000	11,001,000	100,797,670

MONEY RATES ABROAD.—On April 14 the Bank of England reduced its rate of discount from 4 per cent. to 3½ per cent. and on April 21 made a further reduction to 3 per cent. The former rate of 4 per cent. had ruled since September 3, 1903. Open market rates are lower in London than they were a month ago. Discounts of 60 to 90 day bills in London at the close of the month were 2¼ @ 2⅜ per cent. against 2¾ @ 2⅞ per cent. a month ago. The open market rate at Paris was 2⅝ per cent. against 2¾ per cent. a month ago, and at Berlin and Frankfort 3 per cent. against 3⅜ @ 3½ per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Jan. 13, 1904.	*Feb. 10, 1904.*	*Mar. 16, 1904.*	*Apr. 13, 1904.*
Circulation (exc. b'k post bills)	£28,414,055	£27,749,055	£27,561,390	£28,366,265
Public deposits	6,185,742	9,081,614	13,720,681	8,569,638
Other deposits	42,941,986	41,635,576	38,641,241	42,936,848
Government securities	20,947,874	19,229,834	19,224,834	19,883,980
Other securities	24,957,866	24,826,750	24,202,522	25,281,788
Reserve of notes and coin	21,424,363	24,900,000	26,561,883	24,142,795
Coin and bullion	31,388,418	34,199,147	35,673,273	34,059,060
Reserve to liabilities	43½%	49%	50 9/16%	46¾%
Bank rate of discount	4%	4%	4%	3½%
Price of Consols (2¾ per cents.)	87 9/16	86 5/16	86¾	88 11/16
Price of silver per ounce	27⅛d.	27¼d.	26¼d.	24 15/16d.

SILVER.—The London silver market was weak early in the month and the price fell to 24 7-16d. on April 15. Subsequently it recovered to 25½d. and closed for the month at 25⅛d. a net decline of ⅜d. compared with the final price in March.

MONTHLY RANGE OF SILVER IN LONDON—1902, 1903, 1904.

MONTH.	1902.		1903.		1904.		MONTH.	1902.		1903.		1904.	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January	26 1/16	25⅜	22⅜	21 11/16	27 5/16	25½	July	24 9/16	24 3/16	25⅜	24¼	....	....
February	25⅜	25 5/16	22 5/16	21⅞	27½	25⅝	August	24 7/16	24⅛	26¾	25 5/16	....	....
March	25 7/16	24 13/16	22 13/16	22⅛	26 13/16	25½	Septemb'r	24⅛	23 9/16	26 7/16	26 3/16	....	....
April	24⅞	23 5/16	25 1/16	22⅝	25½	24 7/16	October	23 11/16	23¼	28½	27 7/16	....	....
May	24⅛	23 9/16	25¼	24 5/16	....	....	Novemb'r	23¼	21¾	27⅝	26¼	....	....
June	24 7/16	23 15/16	24 9/16	24⅛	....	....	Decemb'r	22⅛	21 13/16	26⅛	25	....	....

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*
Sovereigns & Bk. of Eng. notes	$4.86	$4.88
Twenty francs	3.86	3.89
Twenty marks	4.74	4.77
Twenty-five pesetas	4.78	4.81
Spanish doubloons	15.55	15.65
Mexican doubloons	15.55	15.65

	Bid.	*Asked.*
Mexican 20 pesos	$19.52	$19.60
Ten guilders	3.95	4.00
Mexican dollars	.43¼	.46½
Peruvian soles	.39½	.43½
Chilian pesos	.39½	.43½

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 25⅛d. per ounce. New York market for large commercial silver bars, 54⅝ @ 55¾c. Fine silver (Government assay), 54¾ @ 56¼c. The official price was 54½c.

FOREIGN EXCHANGE.—Rates for sterling exchange advanced last month and from April 7 until April 30 there were gold shipments, the aggregate being about

$19,000,000. Sterling declined toward the end of the month partly as the result of the heavy movement of gold.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

WEEK ENDED.	BANKERS' STERLING.		*Cable transfers.*	*Prime commercial, Long.*	*Documentary Sterling, 60 days.*
	60 days.	*Sight.*			
Apr. 2	4.8475 @ 4.8485	4.8735 @ 4.8740	4.8770 @ 4.8780	4.84½ @ 4.84⅝	4.83⅝ @ 4.83¾
" 9	4.8480 @ 4.8490	4.8735 @ 4.8740	4.8770 @ 4.8780	4.84½ @ 4.84⅝	4.83¾ @ 4.84⅞
" 16	4.8500 @ 4.8510	4.8740 @ 4.8745	4.8775 @ 4.8780	4.84¾ @ 4.84⅞	4.84 @ 4.84¾
" 23	4.8530 @ 4.8540	4.8730 @ 4.8735	4.8755 @ 4.8760	4.84⅞ @ 4.85	4.84¼ @ 4.85⅛
" 30	4.8490 @ 4.8500	4.8700 @ 4.8705	4.8720 @ 4.8730	4.84½ @ 4.84⅝	4.84 @ 4.84¾

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Jan. 1.	*Feb. 1.*	*Mch. 1.*	*Apr. 1.*	*May. 1.*
Sterling Bankers—60 days	4.81 — ⅛	4.83 — ⅛	4.83¾— 84	4.83¾— ⅞	4.84⅞—85
" " Sight	4.84 — ⅛	4.85⅛— ⅝	4.86⅝— ¾	4.87¼— ⅜	4.87 — ⅛
" " Cables	4.84½— ⅝	4.85¾— 6	4.87⅛— ⅜	4.87¾— ⅞	4.87¼— ⅜
" Commercial long	4.80½— ⅝	4.82½— ⅝	4.83 — ½	4.84½— ⅝	4.84½— ⅝
" Docu'tary for paym't.	4.80 —80¾	4.82 — ⅝	4.83 — ⅝	4.83¾— ¾	4.84 — ¾
Paris—Cable transfers	5.18¾—	5.17½— ..	5.16¼—	5.15 1/16—15	5.15 1/16— 1/32
" Bankers' 60 days	5.22½—21⅞	5.20 1/16— 20	5.18¾—	5.18⅛—17½	5.18⅛—17½
" Bankers' sight	5.19⅜—	5.18⅛—17½	5.16⅞—	5.15⅝—	5.15⅝—
Swiss—Bankers' sight	5.20 1/32— 1/32	5.20 —19⅝	5.19⅝—18¾	5.18⅛—17½	5.16⅞— ¼
Berlin—Bankers' 60 days	94¼— ⅝	94 7/16— 9/16	94 7/16— 11/16	94 13/16—	94 15/16—95
" Bankers' sight	94 13/16—	94 13/16— ⅞	95 1/16—	95 3/16—	95 1/16— ⅜
Belgium—Bankers' sight	5.20 1/32— 1/32	5.18¾— ..	5.17⅛—	5.16⅞—	5.16⅞—
Amsterdam—Bankers' sight	40⅛—	40¼— ..	40¼— 5/16	40 5/16—	40⅜—
Kronors—Bankers' sight	26.65—26.67	26.68—26.70	26.72—26.74	26.81—26.83	26.81 —26.83
Italian lire—sight	5.18¾— ⅛	5.17½—16⅞	5.21¼—20	5.16⅞—15⅝	5.16¼—15⅝

NATIONAL BANK CIRCULATION.—The National bank notes outstanding increased $2,170,631 last month, making an increase in twelve months of nearly $46,000,000. The circulation is the largest ever reported and the bonds to secure the circulation now amount to nearly $400,000,000. The bonds deposited to secure public deposits were reduced $4,000,000 during the month, and now aggregate $171,000,000.

NATIONAL BANK CIRCULATION.

	Jan. 31, 1904.	*Feb. 29, 1904.*	*Mar. 31, 1904.*	*Apr. 30, 1904.*
Total amount outstanding	$426,857,627	$430,324,310	$434,909,942	$437,080,573
Circulation based on U. S. bonds	387,657,731	390,352,491	395,600,234	397,802,781
Circulation secured by lawful money	39,199,896	39,971,819	39,309,708	39,277,792
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	2,432,950	2,389,200	2,704,250	2,966,750
Five per cents. of 1894	44,750	....	....	....
Four per cents. of 1895	1,247,600	1,260,100	1,540,100	1,540,100
Three per cents. of 1898	1,708,100	1,744,500	1,799,400	1,759,940
Two per cents. of 1900	384,798,300	387,277,750	391,990,900	393,528,350
Total	$390,231,600	$392,671,550	$398,034,650	$399,795,140

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1907, $7,071,050; 5 per cents. of 1894, $100,000; 4 per cents. of 1895, $10,806,050; 3 per cents. of 1898, $7,113,000; 2 per cents. of 1930, $97,749,000; District of Columbia 3.65's, 1924, $2,044,000; State and city bonds, $20,717,128; Philippine Island certificates, $4,328,000; Hawaiian Islands bonds, $1,117,000; Railroad bonds, $17,670,000; Philippine loan, $1,657,000, a total of $171,436,228.

UNITED STATES PUBLIC DEBT.—Aside from the decrease in the cash balance in the Treasury of $3,700,000 and the increase in net debt of $3,400,000, the only noticeable change in the items contained in the public debt statement is the increase in gold certificates issued, the total now reported being $493,000,000, as compared with about $467,000,000 on April 1. The Government now has outstanding nearly $980,000,000 gold and silver certificates, including about $14,000,000 of the old Treasury

notes of 1890, against which it holds an equal amount of gold and silver in the Treasury.

United States Public Debt.

	Feb. 1, 1904.	Mch. 1, 1904.	Apr. 1, 1904.	May 1, 1904.
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent	$542,909,950	$542,909,950	$542,909,950	$542,909,950
Funded loan of 1907, 4 "	156,591,500	156,591,500	156,591,650	156,593,100
Refunding certificates, 4 per cent	29,990	29,990	29,880	29,130
Loan of 1904, 5 per cent	5,314,250	....	....	....
" 1925, 4 "	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent	77,135,360	77,135,360	77,135,360	77,135,360
Total interest-bearing debt	$900,470,950	$895,156,700	$895,156,740	$895,157,440
Debt on which interest has ceased	1,196,530	3,161,680	2,670,510	2,347,480
Debt bearing no interest:				
Legal tender and old demand notes	346,734,863	346,734,863	346,734,863	346,734,863
National bank note redemption acct.	38,534,696	39,179,309	38,689,396	38,663,611
Fractional currency	6,870,587	6,870,587	6,870,587	6,869,851
Total non-interest bearing debt	$392,140,147	$392,784,759	$392,294,846	$392,268,326
Total interest and non-interest debt	1,293,807,627	1,291,103,139	1,290,122,096	1,289,773,246
Certificates and notes offset by cash in the Treasury:				
Gold certificates	487,949,869	477,903,869	467,660,869	493,457,869
Silver "	464,261,000	469,942,000	473,085,000	472,555,000
Treasury notes of 1890	15,322,000	14,846,000	14,372,000	13,987,000
Total certificates and notes	$967,532,869	$962,691,869	$955,117,869	$979,999,869
Aggregate debt	2,261,340,496	2,253,795,008	2,245,239,965	2,269,773,115
Cash in the Treasury:				
Total cash assets	1,413,110,668	1,407,296,573	1,399,011,475	1,404,406,842
Demand liabilities	1,034,365,584	1,034,228,068	1,024,311,479	1,033,487,654
Balance	$378,745,084	$373,068,505	$374,699,996	$370,919,188
Gold reserve	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance	228,745,084	223,068,505	224,699,996	220,919,188
Total	$378,745,084	$373,068,505	$374,699,996	$370,919,188
Total debt, less cash in the Treasury	915,062,543	918,034,634	915,422,100	918,854,058

Government Revenues and Disbursements.—A deficit of nearly $5,500,000 in April leaves a very small margin between the revenues and expenditures of the Government for the fiscal year of which only two months remain. The surplus for the ten months is less than $2,500,000, while in 1903 these was a surplus of $35,000,000 for the same period, in 1902 a surplus of $65,000,000, and in 1901 a surplus of $27,000,000. The receipts in the ten months this year were nearly $15,000,000 less than last year; there was a decrease in customs revenues of more than $21,000,000, while expenditures increased $18,000,000.

United States Treasury Receipts and Expenditures.

Receipts.

Source.	April, 1904.	Since July 1, 1903.
Customs	$21,075,519	$220,570,965
Internal revenue	17,494,664	193,115,873
Miscellaneous	2,959,238	37,925,332
Total	$41,529,421	$451,612,170
Excess of receipts	5,480,843	2,458,572

Expenditures.

Source.	April, 1904.	Since July 1, 1903.
Civil and mis	$14,463,400	$118,836,023
War	8,872,689	96,922,857
Navy	9,403,418	84,403,601
Indians	609,983	8,729,925
Pensions	9,688,879	118,149,488
Interest	3,971,900	22,102,699
Total	$47,010,264	$449,153,598

United States Foreign Trade.—The foreign trade movements in March were similar to those in February, the imports being within $30,000,000 of the amount of exports. For the first time in twelve months, however, the imports exceeded $90,000,000 the total being $91,802,235, but this compares with $96,230,457 in March last year, a decrease of nearly $5,000,000. The exports of merchandise were $119,818,470 as compared with $132,093,964 last year, a decrease of $12,000,000. The total merchandise movement in March this year is about $10,000,000 larger than in March

three years ago, but compared with March, 1901, the imports show a gain of $15,-500,000 and exports a loss of $4,500,000. For the nine months ended March 31 the exports increased over the previous year $53,000,000 and imports decreased $31.000,-000, the excess of exports being $422,000,000 as compared with $337,000,000 in 1903. There were net imports of gold up to March 31 of $56,000,000, the largest since 1899, but that has been reduced by the heavy exports in April.

Exports and Imports of the United States.

Month of March.	Merchandise.			Gold Balance.	Silver Balance.
	Exports.	*Imports.*	*Balance.*		
1899	$104,559,689	$72,820,746	Exp., $31,738,943	Imp., $2,077,730	Exp., $1,931,794
1900	134,157,225	86,522,456	" 47,634,769	" 839,756	" 2,303,276
1901	124,473,643	75,886,834	" 48,586,809	" 2,030,186	" 2,443,820
1902	106,749,401	84,227,082	" 22,522,319	Exp., 1,796,633	" 994,792
1903	132,093,964	96,230,457	" 35,863,507	Imp., 3,525,130	" 2,185,879
1904	119,813,470	91,302,235	" 28,511,235	" 5,793,013	" 2,001,697
Nine Months.					
1899	947,992,955	500,022,579	Exp., 447,970,376	Imp., 66,893,761	Exp., 20,036,561
1900	1,053,630,696	641,776,030	" 411,854,666	" 7,769,846	" 16,774,288
1901	1,139,668,627	599,426,674	" 540,241,953	" 25,946,381	" 21,034,424
1902	1,080,987,514	678,694,539	" 402,292,975	" 1,208,163	" 16,524,903
1903	1,114,162,027	777,002,217	" 337,159,810	" 21,012,735	" 19,011,434
1904	1,167,760,069	745,462,459	" 422,297,610	" 56,009,761	" 14,987,635

Money in Circulation in the United States.—The estimated amount of money in circulation on May 1 was $2,532,645,135, an increase since April 1 of $16,-000,000. That there should be an increase of nearly $20,000,000 in gold coin and gold certificates in spite of the large export movement will occasion surprise. There was some decrease in the other forms of money.

Money in Circulation in the United States.

	Jan. 1, 1904.	*Mch. 1, 1904.*	*Apr. 1, 1904.*	*May 1, 1904.*
Gold coin	$627,970,538	$638,909,710	$650,924,710	$656,159,418
Silver dollars	81,578,223	76,409,191	74,709,181	73,642,989
Subsidiary silver	97,631,352	95,486,878	95,087,792	94,820,302
Gold certificates	421,060,019	462,206,979	449,349,569	463,948,069
Silver certificates	465,836,290	462,101,102	466,052,079	466,079,084
Treasury notes, Act July 14, 1890	15,828,853	14,780,933	14,314,676	13,853,196
United States notes	348,272,438	337,312,541	341,407,870	339,777,071
National bank notes	413,153,189	416,284,063	424,793,346	424,365,007
Total	$2,466,345,897	$2,508,481,897	$2,516,639,223	$2,532,645,135
Population of United States	81,177,000	81,407,000	81,522,000	81,637,000
Circulation per capita	$30.38	$30.75	$30.87	$31.02

Money in the United States Treasury.—The Treasury has $4,000,000 more money than it reported a month ago, but an increase of $14,000,000 in certificates

Money in the United States Treasury.

	Jan. 1, 1904.	*Mch. 1, 1904.*	*Apr. 1, 1904.*	*May 1, 1904.*
Gold coin and bullion	$686,651,991	$698,448,007	$697,879,260	$695,825,159
Silver dollars	477,594,756	488,501,788	491,393,073	493,555,265
Silver bullion	11,579,510	7,142,510	5,829,230	5,368,139
Subsidiary silver	8,306,927	11,417,518	11,545,932	11,852,585
United States notes	3,408,578	9,368,475	5,273,146	6,903,945
National bank notes	12,009,829	14,040,247	10,116,596	12,715,566
Total	$1,199,551,591	$1,228,918,545	$1,222,037,237	$1,226,220,659
Certificates and Treasury notes, 1890, outstanding	902,745,162	939,089,014	929,716,324	943,880,848
Net cash in Treasury	$296,806,429	$289,829,531	$292,320,913	$282,340,311

outstanding caused a reduction in the net cash of $10,000,000. The Treasury lost $16,600,000 gold net which is a reflection of the Panama Canal financial operation.

SUPPLY OF MONEY IN THE UNITED STATES.—The country according to official estimates has $6,000,000 more money than it had a month ago, one-half of which gain is in gold. There was an increase of $2,000,000 in National bank notes.

SUPPLY OF MONEY IN THE UNITED STATES.

	Jan. 1, 1904.	*Mch. 1, 1904.*	*Apr. 1, 1904.*	*May 1, 1904.*
Gold coin and bullion	$1,314,622,524	$1,337,357,717	$1,348,803,970	$1,351,984,577
Silver dollars	559,167,979	564,901,979	566,102,254	567,198,254
Silver bullion	11,579,510	7,142,510	5,829,230	5,368,139
Subsidiary silver	105,938,279	106,903,896	106,683,724	106,672,887
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	425,163,018	430,324,310	434,909,942	437,080,573
Total	$2,763,152,326	$2,793,311,428	$2,808,960,136	$2,814,985,446

FOREIGN BANKS.—The Bank of England gained about $2,000,000 gold in April and the Bank of France $13,000,000. The Imperial Bank of Germany lost $6,000,000 and Russia $27,000,000.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	March 1, 1904.		*April 1, 1904.*		*May 1, 1904.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England	£35,484,022	....	£34,058,852	....	£34,485,455	....
France	93,777,253	£44,310,614	94,503,540	£44,579,948	97,200,511	£44,744,871
Germany	36,289,000	12,750,000	36,164,000	12,706,000	34,916,000	12,268,000
Russia	91,352,000	7,939,000	89,577,000	8,419,000	84,150,000	8,017,000
Austria-Hungary	47,015,000	12,585,000	47,371,000	12,905,000	47,482,000	12,985,000
Spain	14,604,000	19,320,000	14,636,000	19,708,000	14,676,000	19,876,000
Italy	21,996,000	3,753,200	22,060,000	3,803,200	22,120,000	3,817,200
Netherlands	5,432,900	6,626,300	5,442,500	6,706,900	5,456,000	6,565,500
Nat. Belgium	3,187,333	1,593,667	3,114,000	1,557,000	3,080,000	1,540,000
Totals	£349,137,508	£108,876,781	£346,926,892	£110,385,048	£343,565,966	£109,813,571

GOLD AND SILVER COINAGE.—The mints coined $26,177,600 gold, $1,158,000 silver and $131,524.30 minor coin, a total of $27,467,124.30 in April. There were 1,096,000 standard silver dollars coined.

COINAGE OF THE UNITED STATES.

	1902.		*1903.*		*1904.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
January	$7,660,000	$2,908,637	$7,635,178	$1,707,000	$2,765,000	$4,657,000
February	6,643,850	2,489,000	7,488,510	1,521,000	35,603,500	1,475,000
March	1,558	2,965,577	6,879,920	1,595,987	63,605,790	1,491,509
April	3,480,315	3,388,278	137,400	1,809,000	26,177,600	1,158,000
May	426,000	1,873,000	69,000	1,584,000	....	....
June	500,345	2,464,353	610	3,840,222	....	....
July	2,120,000	2,254,000	....	887,327	....	....
August	8,040,000	2,236,000	450,000	452,000	....	....
September	3,560,860	2,831,165	645,692	1,807,469	....	....
October	1,890,000	2,287,000	1,540,000	2,824,000	....	....
November	2,675,000	2,399,000	8,794,600	1,401,000	....	....
December	6,277,925	1,932,216	10,043,060	1,567,435	....	....
Year	$47,109,852	$29,928,167	$43,683,970	$19,874,440	$128,151,890	$8,881,509

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of April, and the highest and lowest during the year 1904, by dates, and also, for comparison, the range of prices in 1903:

	Year 1903.		Highest and Lowest in 1904.		April, 1904.		
	High.	Low.	Highest.	Lowest.	High.	Low.	Closing.
Atchison, Topeka & Santa Fe.	89⅞	54	75¼—Apr. 11	64 —Feb. 24	75¼	71⅛	72⅝
" preferred	103⅛	84⅝	94⅞—Apr. 8	87⅝—Jan. 6	94⅞	91¼	93¼
Baltimore & Ohio	104	71⅝	85⅞—Jan. 27	72⅞—Mar. 14	82	78⅛	79½
Baltimore & Ohio, pref.	96¾	82¾	92 —Jan. 28	87⅝—Feb. 19	91	90	90½
Brooklyn Rapid Transit	71⅛	29½	52¼—Jan. 2	38 —Feb. 24	48⅝	43⅛	46¼
Canadian Pacific	138¾	115⅝	121¼—Jan. 22	109½—Mar. 12	118	114⅛	116¾
Canada Southern	78½	57½	68¼—Jan. 2	64 —Apr. 29	65⅝	64	64
Central of New Jersey	190	153	163¾—Jan. 19	154½—Feb. 20	161	158	159
Ches. & Ohio	53⅝	27¼	36 —Jan. 28	28¼—Mar. 14	33⅝	31	31
Chicago & Alton	37¼	18⅛	40 —Feb. 6	33 —Jan. 2	38¾	37¼	38⅛
" preferred	75½	60	85¼—Jan. 21	75 —Jan. 6	82	80½	81
Chicago, Great Western	29⅝	13	17¾—Jan. 22	14 —Feb. 24	17⅝	15½	16
Chic., Milwaukee & St. Paul	183¼	133¼	148¼—Jan. 22	137⅛—Feb. 24	146⅛	142¾	143¾
" preferred	194¼	168	180 —Apr. 12	173 —Mar. 4	180	175	176
Chicago & Northwestern	224½	153	172¼—Mar. 30	161⅛—Mar. 14	172	169	170
" preferred	250	190	214⅛—Jan. 23	207 —Feb. 8	214	214	214
Chicago Terminal Transfer	19⅞	8	12¾—Jan. 15	8¼—Feb. 24	10¼	8¼	8¼
" preferred	36	15	26½—Jan. 15	18 —Jan. 2	21½	18	18
Clev., Cin., Chic. & St. Louis	99⅝	66	80¾—Jan. 22	74 —Mar. 1	76⅝	74	74
Col. Fuel & Iron Co.	82½	24	34½—Jan. 27	25½—Mar. 12	33⅝	28¼	32
Colorado Southern	31⅝	10	19 —Jan. 12	14½—Feb. 23	18⅝	16⅛	16½
" 1st preferred	72	44⅛	58½—Jan. 25	52 —Feb. 23	56	53½	53½
" 2d preferred	48	17	28⅜—Jan. 22	22 —Feb. 23	25⅛	22¼	22¼
Consolidated Gas Co.	222	164	210½—Apr. 20	185 —Feb. 8	210½	197	209¼
Delaware & Hud. Canal Co.	183½	149	168⅛—Jan. 22	149 —Mar. 12	160½	151¼	157½
Delaware, Lack. & Western	275½	230	275¾—Apr. 7	250½—Feb. 23	275¾	267	269½
Denver & Rio Grande	43	18	23⅜—Jan. 22	18 —Mar. 14	22⅝	20	20
" preferred	90½	62	74⅞—Jan. 22	64⅛—Feb. 24	72⅛	69¾	70¼
Detroit Southern	20⅝	7	14¾—Jan. 23	8⅛—Apr. 13	10½	8⅛	9
" preferred	39¾	14	29½—Jan. 25	16¾—Apr. 14	20	16¾	17¾
Duluth So. S. & Atl., pref.	29⅝	10	16¾—Jan. 23	11½—Feb. 29	13	13	13
Erie	42⅝	23	29¼—Jan. 2	22 —Feb. 26	27⅝	24⅞	24⅞
" 1st pref.	74	62⅛	69¾—Jan. 27	61⅛—Feb. 29	66¼	63	63⅝
" 2d pref.	64⅞	44	50½—Jan. 2	37¼—Feb. 29	43⅛	38⅛	38¾
Evansville & Terre Haute	72½	39½	66½—Jan. 27	57 —Apr. 20	57	57	57
Express Adams	235	214	225 —Jan. 6	220 —Feb. 2	225	222	225
" American	235	171	197 —Jan. 27	185 —Mar. 7	195	189	194¾
" United States	150¼	95	110 —Jan. 25	100 —Feb. 24	110	110	110
" Wells, Fargo	249½	191	212 —Jan. 6	204 —Apr. 15	205	204	204½
Hocking Valley	106½	63	77⅛—Jan. 22	68 —Apr. 30	72¾	68	68
" preferred	99¼	77	85 —Jan. 7	77 —Mar. 12	81	80¼	81
Illinois Central	151	125⅛	134¾—Jan. 28	125¾—Feb. 24	131½	129⅝	130⅛
Iowa Central	48	16	22⅞—Jan. 8	17 —Feb. 18	19¾	18	19
" preferred	77⅝	30½	42 —Jan. 14	32 —Feb. 25	36¾	34½	36¾
Kansas City Southern	36¼	16½	21 —Jan. 21	16½—Feb. 24	19¾	18	19¾
" preferred	61¼	29	38¾—Jan. 19	31 —Feb. 29	37	34½	35
Kans. City Ft. S. & Mem. pref.	82¾	62¼	70½—Apr. 12	65 —Feb. 8	70½	66	67⅞
Louisville & Nashville	130½	95	111½—Jan. 22	101 —Feb. 23	110	107¼	107¼
Manhattan consol	155½	126¼	146⅛—Jan. 22	139¾—Mar. 12	143¾	141⅞	142½
Metropolitan securities	128⅞	70½	92 —Jan. 21	72¼—Mar. 14	82⅝	76½	79
Metropolitan Street	142⅞	99⅞	124 —Jan. 2	104¾—Mar. 14	117¼	110½	112¼
Mexican Central	29	8½	14½—Jan. 11	5 —Apr. 23	10¼	5	7¼
Minneapolis & St. Louis	110	41	67¾—Jan. 18	61 —Feb. 18	....	....	....
" preferred	118	83	94¾—Jan. 21	90 —Jan. 6	....	....	....
Minn., S. P. & S. S. Marie	79½	42	67 —Jan. 20	55 —Jan. 4	63	60¾	61
" preferred	132¼	109½	126¾—Jan. 28	117 —Feb. 25	119	118	118
Missouri, Kan. & Tex.	30⅛	15½	19 —Jan. 21	14⅝—Feb. 24	18⅛	17	17
" preferred	63½	33	42½—Jan. 22	35 —Feb. 23	40¼	37	37
Missouri Pacific	115⅞	85¾	95⅞—Jan. 22	87 —Feb. 24	95	92⅛	92⅛
Natl. of Mexico, pref.	47⅝	34½	41 —Jan. 11	34¾—Feb. 25	40	37	37
" 2d preferred	28½	17	21⅞—Jan. 8	15⅞—Feb. 25	18¼	18¼	18¼
N. Y. Cent. & Hudson River	156	112⅝	122 —Jan. 8	112⅞—Mar. 12	118¼	115⅝	115½
N. Y., Chicago & St. Louis	45	19½	32¼—Jan. 23	25½—Mar. 7	....	....	....
" 2d preferred	87	50	69 —Jan. 26	63 —Jan. 19	....	....	....

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	YEAR 1903.		HIGHEST AND LOWEST IN 1904.		APRIL, 1904.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
N. Y., Ontario & Western	35¼	19	24¼—Jan. 25	19⅝—Mar. 14	22¼	21⅛	21⅝
Norfolk & Western	76¼	53¾	62¾—Jan. 28	53⅛—Mar. 12	59⅜	57	57
" preferred	93½	85	90—Apr. 12	88⅜—Feb. 25	90	88⅜	88⅜
North American Co.	124½	68	90—Jan. 26	80—Mar. 12	85¾	82¾	83½
Pacific Mail	42¾	17	33⅛—Jan. 18	24—Feb. 27	28	26	26
Pennsylvania R. R.	157⅞	110¾	123⅛—Jan. 27	111½—Mar. 12	119⅝	116¾	117⅝
People's Gas & Coke of Chic.	108⅜	87¾	102⅝—Jan. 28	92¾—Mar. 12	100¼	95¼	97
Pullman Palace Car Co.	235¾	196	219⅛—Jan. 22	209—Mar. 14	218	209	212
Reading	69¼	37⅛	48—Jan. 25	38⅝—Mar. 14	45⅞	43⅝	44⅛
" 1st prefered	89⅞	73	81—Jan. 25	76—Mar. 1	79⅛	78⅛	78¾
" 2d preferred	81	55¾	66—Apr. 14	55¼—Feb. 25	66	61	65½
Rock Island	53⅝	19½	27⅛—Jan. 22	19⅛—Mar. 11	25	22¼	22⅝
" preferred	86	55¾	68⅞—Jan. 22	57¾—Jan. 6	67⅞	62⅛	63½
St. L. & San Fran. 2d pref.	78	39	49¼—Jan. 23	39¼—Jan. 6	48⅞	45¾	46¼
St. Louis & Southwestern	30	12	16¼—Jan. 22	12⅞—Mar. 9	14¾	13¼	14
" preferred	66	24	36¾ Jan. 23	29½—Feb. 24	36	33⅜	34½
Southern Pacific Co.	68¼	38⅝	52⅛—Jan. 27	41⅛—Mar. 14	51⅝	47	47¾
Southern Railway	36⅞	16½	23⅛—Jan. 27	18¼—Feb. 24	22⅞	20⅝	20¾
" preferred	96	69½	86¼—Jan. 22	77½—Jan. 6	86¼	84	84
Tennessee Coal & Iron Co.	68¾	25⅝	41⅛—Apr. 7	34¼—Feb. 24	41⅛	35	36⅛
Texas & Pacific	43⅜	20½	27¾—Jan. 23	21⅛—Feb. 23	25⅛	23	23
Toledo, St. Louis & Western	31⅞	15	29¼—Jan. 23	22—Feb. 20	26¾	24	26¼
" preferred	48	24	39⅞—Apr. 25	32—Feb. 24	39⅞	35	39½
Union Pacific	104⅝	65½	90—Apr. 4	71—Mar. 14	90	83⅝	84
" preferred	95¼	83½	94½—Apr. 6	86½—Feb. 25	94½	93	92
Wabash R. R.	32¾	16⅝	21¾—Jan. 27	17—Feb. 24	19⅝	18	18
" preferred	55¼	27½	41—Jan. 25	32¾—Feb. 24	39⅝	36⅞	37⅝
Western Union	93	80¼	89⅝—Mar. 17	86—Jan. 6	89¼	88½	88¾
Wheeling & Lake Erie	27½	12	19⅛—Jan. 22	14⅛—Feb. 23	17⅞	16	16½
" second preferred	38½	20	29¾—Jan. 27	22—Feb. 24	26⅞	25	25
Wisconsin Central	29¼	14½	21⅞—Jan. 20	16⅛—Jan. 4	19	17¾	17¾
" preferred	55½	38	47⅞—Jan. 27	38—Jan. 4	42½	39¾	39¾
"INDUSTRIAL"							
Amalgamated Copper	75⅝	33⅝	52¼—Apr. 8	43⅛ Feb. 8	52¼	47⅞	48⅛
American Car & Foundry	41¾	17¼	21⅜—Jan. 27	17—Apr. 29	20⅝	17	17⅜
" pref.	93	60½	74¾—Apr. 7	67—Jan. 6	74¾	69½	69¾
American Co. Oil Co.	46¼	25¼	32⅞—Jan. 25	28⅛—Jan. 7	30⅝	29½	30
American Ice	11⅞	4	9¼—Jan. 2	6⅛—Mar. 24	7½	6⅞	6⅞
American Locomotive	31⅝	10½	23⅜—Feb. 16	16⅛—Jan. 6	22½	18½	18¼
" preferred	95¾	67½	83—Mar. 22	75½—Jan. 6	82¾	80	81
Am. Smelting & Refining Co.	52⅞	36¾	51⅛—Jan. 28	46—Feb. 25	49¾	48	49¼
" preferred	99½	80¼	95¾—Apr. 29	88¾—Jan. 6	95¾	92¼	95⅝
American Sugar Ref. Co.	134⅝	107⅛	131⅝—Jan. 25	122¼—Mar. 7	129	125⅝	127¼
Anaconda Copper Mining	125½	58	80⅛—Apr. 12	61—Feb. 20	80⅛	67	78½
Continental Tobacco Co. pref.	119	94¾	111—Apr. 6	101½—Jan. 4	111	106¾	110½
Corn Products	35	15½	22⅝—Jan. 25	12¼—Mar. 15	18¾	18	18¼
" preferred	85⅛	60	74½—Jan. 23	65—Mar. 9	71¼	70¼	71¼
Distillers securities	34¾	20	26½—Jan. 21	20½—Apr. 20	25⅛	20½	21⅝
General Electric Co.	204	136	179¼—Jan. 23	156½—Feb. 24	165	159¾	159¾
International Paper Co.	19⅞	9	14⅜—Jan. 25	10¾—Jan. 6	12⅛	11	11½
" preferred	74¼	57½	67¾—Apr. 5	64⅛ Feb. 9	67¾	65½	66½
National Biscuit	47⅝	32	45—Mar. 28	36—Jan. 4	44	42½	42½
National Lead Co.	29½	10½	19⅝—Apr. 14	14½—Feb. 25	19⅝	15	16½
Pressed Steel Car Co.	65¾	22½	33—Jan. 28	24½—Apr. 21	30¼	24½	26¼
" preferred	95	62½	72½—Jan. 28	69—Jan. 2	72	70	71
Republic Iron & Steel Co.	22⅝	5⅝	8¾—Jan. 25	6½—Jan. 6	8	6⅝	7
" preferred	80⅜	36¾	49½—Jan. 23	40½—Jan. 4	48	41¼	42¼
Rubber Goods Mfg. Co.	30	12	22¼—Jan. 27	14¾—Apr. 15	19⅞	14¾	16⅛
" preferred	84½	60	79¾—Apr. 4	74¾—Jan. 15	79¾	76½	77
U. S. Leather Co.	15¼	6	8¼—Jan. 25	6¾—Feb. 23	7½	6⅞	6⅞
" preferred	96¾	71½	80¾—Apr. 18	75⅝—Jan. 4	80¾	78	80
U. S. Realty & Con.	28½	4	9⅝—Jan. 21	5⅛—Jan. 15	7¾	6	6⅞
" preferred			59—Apr. 22	40—Jan. 14	59	50¼	57¾
U. S. Rubber Co.	19⅛	7	17½—Apr. 29	10½—Feb. 6	17½	12⅝	17¼
" preferred	58	30¼	68¼—Apr. 29	41—Jan. 4	68¼	56	66⅞
U. S. Steel	39⅞	10	12⅝—Jan. 2	9⅝—Jan. 6	12	10½	10¾
" pref.	89¾	49¾	62½—Apr. 7	54¼—Feb. 1	62½	55½	55⅞

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

Last Sale, Price and Date and Highest and Lowest Prices and Total Sales for the Month.

Note.—The railroads enclosed in a brace are leased to Company first named.

Name.	*Principal Due.*	*Amount.*	*Int's Paid.*	Last Sale. *Price.*	Last Sale. *Date.*	April Sales. *High.*	April Sales. *Low.*	April Sales. *Total.*
Albermarle & Ches. 1st 7's	1909	500,000	J & J	....	....	....	....	....
Ann Arbor 1st g 4's	1995	7,000,000	Q J	92¼	Apr. 28,'04	92½	91⅞	37,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	148,155,000	A & O	100¼	Apr. 30,'04	100¼	99¼	1,877,500
" registered		....	A & O	99⅝	Apr. 28,'04	99⅝	99	22,000
" adjustment, g. 4's	1995	25,616,000	NOV	92	Apr. 27,'04	92	89	164,000
" registered		....	NOV	82½	Jan. 26,'04	....	....	....
" stamped	1995	26,112,000	M & N	91½	Apr. 30,'04	92	89¼	116,000
" serial debenture 4's—								
" series C	1905	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series D	1906	2,500,000	F & A	98	Feb. 1,'04	....	....	....
" registered		....	F & A	....	....	....	....	....
" series E	1907	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series F	1908	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series G	1909	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series H	1910	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series I	1911	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series J	1912	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series K	1913	2,500,000	F & A	....	....	....	....	....
" registered		....	F & A	....	....	....	....	....
" series L	1914	2,500,000	F & A	92⅞	Nov. 10,'02	....	....	....
" registered		....	F & A	....	....	....	....	....
" East.Okla.div.1st g.4's	1928	5,645,000	M & S	93½	Dec. 21,'03	....	....	....
" " registered		....	M & S	....	....	....	....	....
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S	....	....	....	....	....
Atl. Knox. & Nor. Ry. 1st g. 5s	1946	1,000,000	J & D	114½	Oct. 8,'02	....	....	....
Atlan.Coast Line R.R.Co. 1st g.4's	1952	36,844,000	M & S	94½	Apr. 30,'04	94½	92⅛	422,000
" registered			M & S	92	Feb. 15,'04	....	....	....
Charleston & Savannah 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'99	....	....	....
Savanh Florida & W'n 1st g. 6's	1934	4,056,000	A & O	125⅛	Nov. 30,'03	....	....	....
" 1st g. 5's	1934	2,444,000	A & O	112⅝	Jan. 26,'04	....	....	....
Alabama Midland 1st gtd g. 5's	1928	2,800,000	M & N	112	Apr. 13,'04	112	112	5,000
Brunswick & W'n 1st gtd. g. 4's	1938	3,000,000	J & J	87	Aug. 22,'01	....	....	....
Sil.Sps Oc.& G.RR.&ld g.gtd g.4s	1918	1,067,000	J & J	91⅛	Oct. 30,'03	....	....	....
Balt. & Ohio prior lien g. 3½s	1925	71,798,000	J & J	94½	Apr. 30,'04	94¾	93¾	388,000
" registered			J & J	93½	Apr. 8,'04	93½	93½	3,000
" g. 4s	1948	69,963,000	A & O	100¾	Apr. 30,'04	101	100¼	612,500
" g. 4s. registered			A & O	100⅛	Apr. 20,'04	100⅛	100¼	3,000
" ten year c. deb. g. 4's	1911	592,000	M & S	98	Apr. 30,'04	98	97	2,000
Pitt Jun. & M. div. 1st g. 3½s.	1925	11,293,000	M & N	89¾	Apr. 29,'04	89¾	88⅝	36,000
" registered			QFeb	....	....	....	....	....
Pitt L. E. & West Va. System refunding g 4s	1941	20,000,000	M & N	96¼	Apr. 27,'04	96¼	94¾	60,000
" Southw'n div. 1st g.3½s.	1925	43,590,000	J & J	90	Apr. 29,'04	90⅛	88⅝	231,000
" registered			Q J	90¼	July 16,'01	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	105½	Mar. 11,'04	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1930	1,009,000	M & S	100¾	Oct. 28,'03	....	....	....
Ptsbg Clev. & Toledo, 1st g.6's	1922	515,000	A & O	119½	Mar. 7,'04	....	....	....
Pittsburg & Western, 1st g.4's	1917	688,000	J & J	98	Aug. 1,'03	....	....	....
" J. P. Morgan & Co. cer.		1,921,000	......	100¼	Feb. 13,'03	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,427,000	M & S	114	Mar. 17,'04	....	....	....
Alleghany & Wn. 1st g. gtd 4's	1998	2,000,000	A & O	....	....	....	....	....
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	128	June 6,'02	....	....	....
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	121½	Mar. 2,'04	....	....	....
" cons. 1st 6's,	1922	3,920,000	J & D	124	Apr. 18,'04	124	124	3,000
Buff. & Susq. 1st refundg g. 4's	1951	3,309,000	J & J	97⅝	Apr. 18,'04	98	97½	22,000
" registered			J & J	....	....	....	....	....

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Canada Southern 1st int. gtd 5's,	1908	14,000,000	J & J	104¼	Apr. 29,'04	104⅛	103⅛	241,000
" 2d mortg. 5's,	1913	6,000,000	M & S	105½	Apr. 22,'04	106	105⅝	9,000
" registered			M & S	107	Aug. 14,'03			
Central Branch U. Pac. 1st g. 4's.	1948	2,500,000	J & D	91½	Mar. 14,'04			
Central R'y of Georgia, 1st g. 5's.	1945	7,000,000	F & A	116½	Mar. 4,'04			
" registered $1,000 & $5,000			F & A					
" con. g. 5's	1945	16,700,600	M & N	109½	Apr. 29,'04	109⅞	106¾	136,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	105½	Sept. 18,'01			
" 1st. pref. inc. g. 5's,	1945	4,000,000	OCT 1	70⅞	Apr. 25,'04	71	68¼	65,000
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	31	Apr. 29,'04	31⅝	29	362,000
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	20	Apr. 21,'04	20	19	58,000
" Chat. div. pur. my. g. 4's.	1951	1,990,000	J & D	92	Aug. 21,'02			
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	104	Feb. 19,'04			
" Mid. Ga. & Atl. div. g 5s.	1947	413,000	J & J	102	June 29,'99			
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	103	July 2,'03			
Cent. R. & Bkg. Co. of Ga. c. g. 5's,	1987	4,880,000	M & N	108	Apr. 27,'04	108	106⅝	5,000
Central of New Jersey, gen. g. 5's	1987	45,091,000	J & J	129⅝	Apr. 23,'04	129⅝	128¾	25,000
" registered			Q J	128⅝	Apr. 20,'04	128⅝	127½	17,000
Am. Dock & Improvm't Co. 5's,	1921	4,987,000	J & J	113	Apr. 30,'04	113	111¾	14,000
Lehigh & H. R. gen. gtd g. 5's	1920	1,062,000	J & J					
Lehigh & W.-B. Coal con. 5's	1912	2,691,000	Q M	102	Apr. 16,'04	102	102	1,000
" con. extended gtd. 4½'s.	1910	12,175,000	Q M	101½	Apr. 29,'04	101⅝	101	15,000
N.Y. & Long Branch gen. g. 4's.	1941	1,500,000	M & S					
Ches. & Ohio 6's, g., Series A	1908	2,000,000	A & O	108	Apr. 29,'04	108	108	4,000
" Mortgage gold 6's	1911	2,000,000	A & O	109½	Apr. 29,'04	110⅛	109½	6,000
" 1st con. g. 5's	1939	25,858,000	M & N	118	Apr. 30,'04	118	116¼	119,000
" registered			M & N	115¼	Apr. 5,'04	115¼	115¼	1,000
" Gen. m. g. 4½'s	1992	37,573,000	M & S	102⅞	Apr. 30,'04	102⅞	101¾	360,000
" registered			M & S	95	Dec. 22,'03			
" Craig Val. 1st g. 5's	1940	650,000	J & J	112	May 14,'03			
" (R. & A. d.) 1st c. g. 4's,	1989	6,000,000	J & J	101¼	Apr. 15,'04	101¼	101¼	5,000
" 2d con. g. 4's	1989	1,000,000	J & J	94¼	Apr. 27,'04	94¼	94¼	1,000
" Warm S. Val. 1st g. 5's,	1941	400,000	M & S	106½	Oct. 29,'02			
Greenbrier Ry. 1st gtd. 4's	1940	2,000,000	M & N	90⅝	Dec. 30,'03			
Chic. & Alton R. R. ref. g. 3's	1949	31,988,000	A & O	83¼	Apr. 30,'04	83¼	82¼	69,000
" " registered			A & O					
Chic. & Alton Ry 1st lien g. 3½'s.	1950	22,000,000	J & J	77¾	Apr. 30,'04	77¾	76	648,000
" registered			J & J	83¾	Apr. 16,'02			
Chicago, Burl. & Quincy:								
" Chic. & Iowa div. 5's	1905	2,320,000	F & A	104¾	Apr. 11,'19			
" Denver div. 4's	1922	4,931,000	F & A	99	Mar. 1,'04			
" Illinois div. 3½s	1949	41,000,000	J & J	93	Apr. 29,'04	93	91⅛	306,000
" registered			J & J	90½	Apr. 16,'04	90½	90½	1,000
" (Iowa div.) sink. f'd 5's,	1919	2,449,000	A & O	109¾	Apr. 27,'04	109¾	109¾	2,000
" 4's	1919	8,049,000	A & O	100¾	Apr. 20,'04	100¾	100⅝	12,000
" Nebraska extensi'n 4's,	1927	25,627,000	M & N	106¾	Apr. 29,'04	106¾	105⅛	31,000
" registered			M & N	105	Dec. 2,'03			
" Southwestern div. 4's	1921	2,650,000	M & S	100¾	Feb. 8,'04			
" 4's joint bonds	1921	215,207,000	J & J	94¼	Apr. 30,'04	94⅛	93¾	1,251,000
" " registered			Q JAN	93	Apr. 28,'04	93	92½	116,000
" 5's, debentures	1913	9,000,000	M & N	106⅛	Apr. 8,'04	106⅛	106⅛	1,000
Han. & St. Jos. con. 6's	1911	8,000,000	M & S	115	Feb. 27,'04			
Chicago & E. Ill. 1st s. f'd c'y. 6's.	1907	2,989,000	J & D	108	Apr. 21,'04	108⅛	108	8,000
" small bonds			J & D	112	Apr. 2,'96			
" 1st con. 6's, gold	1934	2,653,000	A & O	129	Apr. 12,'04	129	129	2,000
" gen. con. 1st 5's	1937	15,323,000	M & N	117¼	Apr. 27,'04	118	117¼	12,000
" registered			M & N	119½	Apr. 13,'03			
Chicago & Ind. Coal 1st 5's	1936	4,323,000	J & J	113	Jan. 16,'04			
Chicago, Indianapolis & Louisville.								
" refunding g. 6's	1947	4,700,000	J & J	129	Apr. 13,'04	129	128	19,000
" ref. g. 5's	1947	4,442,000	J & J	108	July 24,'03			
Louisv. N. Alb. & Chic. 1st 6's	1910	3,000,000	J & J	109	Mar. 7,'04			
Chicago, Milwaukee & St. Paul.								
Chicago Mil. & St. Paul con. 7's,	1905	1,751,000	J & J	175	Apr. 22,'04	175	175	30,000
" terminal g. 5's	1914	4,748,000	J & J	110½	Apr. 27,'04	110½	110	17,000
" gen. g. 4's, series A	1989	23,676,000	J & J	109⅛	Apr. 29,'04	109⅛	108	18,000
" registered			Q J	111	Dec. 8,'02			

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• gen. g. 3½'s, series B	1989	2,500,000	J & J	97¼	Mar. 28,'04	....	....	....
• registered	....		J & J	....	....	....	....	....
• Chic. & Lake Sup. 5's	1921	1,360,000	J & J	116½	Apr. 29,'03	....	....	....
• Chic. & M. R. div. 5's	1926	3,083,000	J & J	116	Apr. 15,'04	116	116	1,000
• Chic. & Pac. div. 6's	1910	3,000,000	J & J	110¼	Feb. 23,'04	....	....	....
• 1st Chic. & P. W. g. 5's	1921	25,340,000	J & J	115¼	Apr. 21,'04	115¼	115	7,000
• Dakota & Gt. S. g. 5's	1916	2,856,000	J & J	111½	Apr. 29,'04	111½	110½	12,000
• Far. & So. g. 6's assu	1924	1,250,000	J & J	137½	July 18,'98	....	....	....
• 1st H'st & Dk. div. 7's	1910	5,680,000	J & J	118	Feb. 16,'04	....	....	....
• 1st 5's	1910	990,000	J & J	106	Mar. 25,'04	....	....	....
• 1st 7's, Iowa & D, ex	1908	1,048,000	J & J	169	Mar. 14,'04	....	....	....
• 1st 5's, La. C. & Dav	1919	2,500,000	J & J	113⅜	Oct. 28,'03	....	....	....
• Mineral Point div. 5's	1910	2,840,000	J & J	106¾	Apr. 26,'04	106¾	106¾	1,000
• 1st So. Min. div. 6's	1910	7,432,000	J & J	111⅞	Apr. 21,'04	112	111½	7,000
• 1st 6's, Southw'n div.	1909	4,000,000	J & J	109¾	Feb. 2,'04	....	....	....
• Wis. & Min. div. g. 5's	1921	4,755,000	J & J	114⅝	Apr. 20,'04	114⅝	114⅝	5,000
• Mil. & N. 1st M. L. 6's	1910	2,155,000	J & D	113	Oct. 27,'03	....	....	....
• 1st con. 6's	1913	5,092,000	J & D	117⅜	Apr. 21,'04	117⅜	117⅜	5,000
Chic. & Northwestern con. 7's	1915	12,832,000	Q F	129¾	Apr. 29,'04	129¾	129¾	12,000
• extension 4's	1886–1926	18,632,000	F A 15	102¾	Apr. 15,'04	105	102¾	5,000
• registered	....		F A 15	106⅜	Oct. 9,'02	....	....	....
• gen. g. 3½'s	1987	20,538,000	M & N	93¾	Apr. 8,'04	99¾	99	13,000
• registered	....		Q F	103	Nov. 19,'98	....	....	....
• sinking fund 6's	1879–1929	5,686,000	A & O	111¼	Apr. 7,'04	111¼	111¼	1,000
• registered	....		A & O	111½	Dec. 11,'03	....	....	....
• sinking fund 5s'	1879–1929	6,769,000	A & O	108¼	Apr. 8,'04	108¼	108¼	3,000
• registered	....		A & O	107	Mar. 28,'04	....	....	....
• deben. 5's	1909	5,900,000	M & N	105	Mar. 24,'04	....	....	....
• registered	....		M & N	104	Mar. 3,'04	....	....	....
• deben. 5's	1921	10,000,000	A & O	108¾	Mar. 12,'04	....	....	....
• registered	....		A & O	108¾	Jan. 12,'04	....	....	....
• sinking f'd deben. 5's	1933	9,800,000	M & N	118	Apr. 12,'04	118	118	1,000
• registered	....		M & N	116	Apr. 13,'04	116	116	1,000
Des Moines & Minn. 1st 7's	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Milwaukee & Madison 1st 6's	1905	1,600,000	M & S	106	Nov. 5,'02	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	108	Oct. 9,'02	....	....	....
Ottumwa C. F. & St. P. 1st 5's	1909	1,600,000	M & S	105⅝	Nov. 17,'03	....	....	....
Winona & St. Peters 2d 7's	1907	1,592,000	M & N	112⅛	Apr. 18,'04	112⅝	112⅛	7,000
Mil., L. Shore & We'n 1st g. 6's	1921	5,000,000	M & N	129	Apr. 5,'04	129	129	9,000
• ext. & impt. s.f'd g. 5's	1929	4,148,000	F & A	117¾	Mar. 26,'04	....	....	....
• Ashland div. 1st g. 6's	1925	1,000,000	M & S	142½	Feb. 10,'02	....	....	....
• Michigan div. 1st g. 6's	1924	1,281,000	J & J	131¾	Dec. 3,'03	....	....	....
• con. deb. 5's	1907	436,000	F & A	103	Apr. 8,'04	103	103	6,000
• incomes	1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup.	1917	12,500,000	J & J	123	Apr. 28,'04	123	121⅝	14,000
• registered	1917		J & J	120	Feb. 17,'04	....	....	....
• gen. g. 4's	1988	61,581,000	J & J	103½	Apr. 30,'04	104	102½	151,000
• registered	....		J & J	107	Jan. 16,'03	....	....	....
• coll. tr. ser. 4's ser. B	1904	1,494,000	M & N	98	Aug. 18,'03	....	....	....
• C	1905	1,494,000	M & N	100⅜	July 2,'02	....	....	....
• D	1906	1,494,000	M & N	.....	....	....	....	....
• E	1907	1,494,000	M & N	.....	....	....	....	....
• F	1908	1,494,000	M & N	.....	....	....	....	....
• G	1909	1,494,000	M & N	.....	....	....	....	....
• H	1910	1,494,000	M & N	99⅝	June 3,'02	....	....	....
• I	1911	1,494,000	M & N	.....	....	....	....	....
• J	1912	1,494,000	M & N	.....	....	....	....	....
• K	1913	1,494,000	M & N	.....	....	....	....	....
• L	1914	1,494,000	M & N	.....	....	....	....	....
• M	1915	1,494,000	M & N	99½	July 01,'02	....	....	....
• N	1916	1,494,000	M & N	99⅜	June 28,'20	....	....	....
• O	1917	1,494,000	M & N	.....	....	....	....	....
• P	1918	1,494,000	M & N	87	Aug. 7,'03	....	....	....
Chic. Rock Is. & Pac. R.R. 4's	2002	69,557,000	M & N	73	Apr. 30,'04	73½	70¼	2,456,000
• registered	....		M & N	88¼	Jan. 7,'03	....	....	....
• coll. trust g. 5's	1913	17,076,000	M & S	80⅛	Apr. 30,'04	82⅝	78½	1,479,000
Burlington, Cedar R. & N. 1st 5's	1906	6,500,000	J & D	103¼	Apr. 27,'04	103½	103¼	18,000
• con. 1st & col. tst 5's	1934	11,000,000	A & O	115½	Apr. 23,'04	115½	115½	1,000
• registered	....		A & O	120½	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's	1921	1,905,000	A & O	118	Jan. 27,'02	....	....	....
Minneap's & St. Louis 1st 7's, g	1927	150,000	J & D	40	Aug. 21,'95	....	....	....
Choc., Okla. & Glf. gen. g. 5s	1919	5,500,000	J & J	104⅝	Jan. 26,'04	....	....	....
• con. g. 5's	1952	5,411,000	J & J	.....	....	....	....	....
Des Moines & Ft. Dodge 1st 4's	1905	1,200,000	J & J	95¼	Oct. 1,'03	....	....	....
• 1st 2½'s	1905	1,200,000	J & J	90	Oct. 1,'03	....	....	....
• extension 4 s	....	672,000	J & J	98	Jan. 13,'04	....	....	....
Keokuk & Des M. 1st mor. 5's	1923	2,750,000	A & O	104½	Apr. 22,'04	104½	104½	2,000
• small bond	1923	....	A & O	102½	Apr. 26,'04	102½	102½	100

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	April Sales. High.	April Sales. Low.	April Sales. Total.
Chic., St.P., Minn. & Oma. con. 6's	1930	14,679,000	J & D	132¼	Apr. 23,'04	133	131	58,000
" con. 6's reduced to 3½'s	1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's	1918	1,875,000	M & N	130	Mar. 3,'04	....	....	....
North Wisconsin 1st mort. 6's	1930	659,000	J & J	129¾	Mar. 3,'04	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	122¼	Apr. 9,'04	122¼	120	27,000
Chic., Term. Trans. R. R. g. 4's	1947	14,735,000	J & J	80¾	Apr. 29,'04	80⅞	80	118,000
Chic. & Wn. Ind. gen'l g. 6's	1932	9,583,000	Q M	111⅛	Apr. 28,'04	111¼	111	3,000
Cin., Ham. & Day. con. s'k. f'd 7's	1905	927,000	A & O	104½	Dec. 5,'03	....	....	....
" 2d g. 4½'s	1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's	1941	3,500,000	M & N	113	Dec. 22,'03	....	....	....
Clev., Cin., Chic. & St.L. gen. g. 4's	1993	18,749,000	J & D	100¾	Apr. 27,'04	101⅛	100½	85,000
" do Cairo div. 1st g. 4's	1939	5,000,000	J & J	101¼	Apr. 1?,'04	101¼	100¾	20,000
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	98	Feb. 2,'04	....	....	....
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	102½	Apr. 28,'04	102¾	102	63,000
" registered				99	Jan. 28,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	102	Dec. 9,'02	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	94½	Aug. 31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,599,000	Q F	101½	Mar. 31,'04	....	....	....
" registered				95	Nov. 15,'94	....	....	....
" con. 6's	1920	668,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	110½	Mar. 15,'04	....	....	....
Clev., C., C. & Ind. con. 7's	1914	3,991,000	J & D	120	July 28,'02	....	....	....
" sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
" gen. consol 6's	1934	3,205,000	J & J	128	Mar. 16,'04	....	....	....
" registered			J & J	....		....	....	....
Ind. Bloom. & West. 1st pfd 4's	1940	981,500	A & O	104½	Nov. 19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....		....	....	....
Peoria & Eastern 1st con. 4's	1940	8,108,000	A & O	96	Apr. 28,'04	96	95	18,000
" income 4's	1990	4,000,000	A	59	Apr. 8,'04	59	59	1,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	5,000,000	A & O	112½	Feb. 9,'04	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	116	Feb. 10,'04	....	....	....
" registered			Q J	....		....	....	....
Col. Midld Ry. 1st g. 4's	1947	8,946,000	J & J	59	Apr. 29,'04	60½	59	42,000
Colorado & Southern 1st g. 4's	1929	18,808,000	F & A	85	Apr. 30,'04	86	85	156,000
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	112⅝	Jan. 25,'04	....	....	....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	129½	Feb. 11,'04	....	....	....
" 1st c. gtd 7's	1915	11,677,000	J & D	131⅛	Apr. 20,'04	131⅛	131⅛	10,000
" registered			J & D	140	Oct. 26,'98	....	....	....
" 1st refund. gtd. g. 3½'s	2000	7,030,000	J & D	....		....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	129¼	Mar. 26,'04	....	....	....
" const. 5's	1923	5,000,000	F & A	112¼	Apr. 2,'04	112½	112¼	5,000
" terml. imp. 4's	1923	5,000,000	M & N	100¼	Jan. 27,'04	....	....	....
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	109⅞	Feb. 8,'04	....	....	....
Warren Rd. 1st rfdg. gtd g. 3½'s	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
" 1st Penn. Div. c. 7's	1917	5,000,000	M & S	133¾	Mar. 30,'04	....	....	....
" reg.	1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	103	Apr. 11,'04	105½	103	4,000
" registered			A & O	122	June 6,'99	....	....	....
" 6's	1906	7,000,000	A & O	106	Mar. 11,'04	....	....	....
" registered			A & O	109½	Nov. 16,'01	....	....	....
Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	143¾	Nov. 10,'02	....	....	....
" 1st r 7's	1921		M & N	147¾	June 18,'03	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	33,450,000	J & J	98⅞	Apr. 29,'04	99½	97¾	131,500
" con. g. 4½'s	1936	6,382,000	J & J	106⅝	May 22,'03	....	....	....
" impt. m. g. 5's	1928	8,318,500	J & D	105½	Apr. 25,'04	106	104¾	17,000
Rio Grande Western 1st g. 4's	1939	15,200,000	J & J	95⅞	Apr. 27,'04	96½	95¾	29,000
" mge. & col. tr. g. 4's ser. A	1949	12,200,000	A & O	84½	Apr. 26,'04	84½	83	9,000
Utah Central 1st gtd. g. 4's	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Denv. & Southern Ry g. s. fg. 5's	1929	4,923,000	J & D	35	Jan. 21,'04	....	....	....
" Midl'd Ter. Ry. 1st g. s. f. 5's	1925	600,000	J & D	....		....	....	....
Des Moines Union Ry 1st g. 5's	1917	628,000	M & N	111	Feb. 28,'03	....	....	....
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	97	Dec. 4,'03	....	....	....
" g. 4s	1995	1,250,000	J & D	94	Apr. 2,'04	94	94	4,000
Detroit Southern 1st g. 4's	1951	3,866,000	J & D	75½	Aug. 25,'03	....	....	....
" Ohio South. div. 1st g. 4's	1941	4,281,000	M & S	79	Apr. 13,'04	79	79	1,000
Duluth & Iron Range 1st 5's	1937	6,732,000	A & O	110	Apr. 13,'04	112	110	10,000
" registered			A & O	101½	July 23,'89	....	....	....
" 2d l m 6s	1916	2,000,000	J & J	....		....	....	....
Duluth So. Shore & At. gold 5's	1937	3,816,000	J & J	111	Jan. 28,'04	....	....	....
Duluth Short Line 1st gtd. 5's	1916	500,000	M & S	....		....	....	....
Elgin Joliet & Eastern 1st g 5's	1941	3,500,000	M & N	114½	Apr. 6,'04	114½	114½	2,000

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Erie 1st ext. g. 4's....1947	2,482,000	M & N	114	May 25,'03	....	....	....
" 2d extended g. 5's.....1919	2,149,000	M & S	112⅝	Apr. 4,'04	112⅝	112⅝	1,000
" 3d extended g. 4½'s...1923	4,617,000	M & S	108⅛	Apr. 30,'04	108⅛	108¼	11,000
" 4th extended g. 5's....1920	2,926,000	A & O	114	Mar. 24,'04	....	....	....
" 5th extended g. 4's....1928	709,500	J & D	101⅞	June 26,'03	....	....	....
" 1st cons gold 7's.......1920	16,390,000	M & S	132½	Apr. 28,'04	132⅛	131¼	51,000
" 1st cons. fund g. 7's....1920	3,699,500	M & S	130	Aug. 7,'03	....	....	....
Erie R.R. 1st con.g-4s prior bds.1996	35,000,000	J&J	98⅛	Apr. 29,'04	98⅛	97⅛	289,000
" registered......		J&J	98⅛	Jan. 21,'04	....	....	....
" 1st con. gen. lien g. 4s.1996	34,885,000	J&J	87	Apr. 29,'04	87¼	85⅛	340,000
" registered......		J&J	85¾	Feb. 4,'04	....	....	....
" Penn. col. trust g. 4's.1951	32,000,000	F & A	90⅝	Apr. 22,'04	91	89¾	90,000
Buffalo, N. Y. & Erie 1st 7's.....1916	2,380,000	J & D	125⅛	June17,'03	....	....	....
Buffalo & Southwestern g. 6's..1908	1,500,000	J&J	....		....	....	....
" small		J&J			....	....	....
Chicago & Erie 1st gold 5's.....1982	12,000,000	M & N	119⅛	Apr. 29,'04	119⅛	118	133,000
Jefferson R. R. 1st gtd g. 5's....1909	2,800,000	A & O	106	Aug. 5,'02	....	....	....
Long Dock consol. g. 6's.......1935	7,500,000	A & O	132	Apr. 13,'04	132	130	19,000
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's..........1922	1,100,000	M&N	118¾	Apr. 29,'04	118¾	118	13,000
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's..........1913	3,396,000	J&J	113⅛	Nov.25,'03	....	....	....
N. Y. & Greenw'd Lake gt g 5's..1946	1,453,000	M&N	108⅛	Jan. 6,'04	....	....	....
" small......							
Midland R. of N. J. 1st g. 6's...1910	3,500,000	A & O	110¾	Apr. 21,'04	110¾	110¾	1,000
N.Y., Sus.&W. 1st refdg. g. 5's..1937	3,745,000	J & J	111	Apr. 29,'04	111	111	2,000
" 2d g. 4½'s.............1937	447,000	F & A	101⅜	Apr. 15,'04	101⅜	101⅜	1,000
" gen. g. 5's............1940	2,546,000	F & A	102½	Apr. 22,'04	102½	102½	5,000
" term. 1st g. 5's.........1943	2,000,000	M & N	113⅛	Jan. 8,'04	....	....	....
" registered......$5,000 each		M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's..1942	3,000,000	J & D	109	Apr. 19,'04	109	108¼	24,000
Evans. & Terre Haute 1st con. 6's.1921	3,000,000	J & J	116	Mar. 25,'04	....	....	....
" 1st General g 5's.........1942	2,223,000	A & O	103⅛	Mar. 29,'04	....	....	....
" Mount Vernon 1st 6's...1923	375,000	A & O	112	June 2,'02	....	....	....
" Sul. Co. Bch. 1st g 5's...1930	450,000	A & O	95	Sept.15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's....1926	1,581,000	J & J	107	Dec. 17,'03	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s.1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's..1921	8,175,000	......	107¼	Apr. 29,'04	108	105⅛	89,000
Ft. Worth & Rio Grande 1st g 5's.1928	2,363,000	J & J	74	Apr. 25,'04	74	72½	8,000
Galveston H. & H. of 1882 1st 5s..1913	2,000,000	A & O	102½	Mar. 31,'04	....	....	....
Gulf & Ship Isl. 1st refg. & ter. 5's..1952	4,591,000	J & J	103⅛	Apr. 7,'04	103⅛	103¼	12,000
" registered......		J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s...1999	13,139,000	J & J	107¼	Apr. 30,'04	107¼	105⅛	121,000
" registered......		J & J	107¼	Apr. 30,'04	107⅛	107⅛	1,000
Col. Hock's Val. 1st ext. g. 4's.1948	1,401,000	A & O	100¼	Apr. 12,'04	100¼	100¼	7,000
Illinois Central, 1st g. 4's..........1951	1,500,000	J&J	115	Apr. 11,'04	115	115	1,000
" registered......		J&J	113⅛	Mar. 12,19'	....	....	....
" 1st gold 3½'s 1951	2,499,000	J&J	101¼	Apr. 20,'04	101¼	104¼	1,000
" registered......		J&J	94	Mar. 28,'03	....	....	....
" extend 1st g 3½'s...: .1951	3,000,000	A & O	99¼	Oct. 22,'03	....	....	....
" registered......		A & O	....		....	....	....
" 1st g 3s sterl. £500,000..1951	2,500,000	M & S	92½	July 13,'96	....	....	....
" registered......		M & S	....		....	....	....
" total outstg....$13,950,000							
" collat. trust gold 4's..1952	15,000,000	A & O	103	Nov. 6,'03	....	....	....
" regist'd......		A & O	102	Oct. 4,'03	....	....	....
" col.t.g.4sL.N.O.&Tex.1953	24,679,000	M & N	103⅛	Apr. 18,'04	103⅛	103⅛	7,000
" registered......		M & N	101	Apr. 7,'04	101	101	2,000
" Cairo Bridge g 4's.....1950	3,000,000	J & D	106⅛	Mar. 7,'03	....	....	....
" registered......		J & D	123	May 24,'99	....	....	....
" Louisville div.g. 3½'s.1953	14,320,000	J & J	93¼	Apr. 30,'04	93⅛	93¼	3,000
" registered......		J & J	88⅛	Dec. 8,'99	....	....	....
" Middle div. reg. 5's...1921	600,000	F & A	95	Dec. 21,'99	....	....	....
" St. Louis div. g. 3's....1951	4,939,000	J & J	80	Jan. 12,'04	....	....	....
" registered......		J & J	101¼	Jan. 31,'19	....	....	....
" g. 3½'s 1951	6,321,000	J & J	93	Apr. 2,'04	93	93	1,000
" registered......		J & J	101⅛	Sept. 10,'95	....	....	....
" Sp'gfield div 1st g 3½'s.1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
" registered......		J & J	124	Dec. 11,'99	....	....	....
" West'n Line 1st g. 4's, 1951	5,425,000	F & A	106¾	Mar. 28,'04	....	....	....
" registered......		F & A	101⅛	Jan. 31,'91	....	....	....
Belleville & Carodt 1st 6's......1923	470,000	J & D	124¼	Apr. 5,'04	124⅛	124½	5,000

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Carbond'e & Shawt'n 1st g. 4's,	1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's....	1951	16,555,000	J D 15	119	Feb. 25,'04	....	....	....
" gold 5's, registered........			J D 15	119¾	Mar. 12,'04	....	....	....
" g. 3½'s................	1951	1,352,000	J D 15	98⅛	Apr. 4,'04	99⅛	98⅛	7,000
" registered................			J D 15	106¼	Aug.17,'99	....	....	....
" Memph. div. 1st g. 4's,	1951	3,500,000	J & D	102¼	Dec. 15,'03	....	....	....
" registered................			J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's,	1931	508,000	M & S	101	Mar. 3,'02	....	....	....
Ind., Dec. & West. 1st g. 5's......	1935	1,824,000	J & J	106	Mar. 28,'04	....	....	....
" 1st gtd. g. 5's............	1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's..	1950	4,850,000	J & J	101	Feb. 29,'04	....	....	....
Internat. & Gt. N'n 1st. 6's, gold.	1919	11,291,000	M & N	119	Mar. 11,'04	....	....	....
" 2d g. 5's..................	1909	10,391,000	M & S	100	Apr. 30,'04	100	98½	349,500
" 3d g. 4's..................	1921	2,959,500	M & S	70	Nov. 19,'03	....	....	....
Iowa Central 1st gold 5's.........	1938	7,650,000	J & D	110½	Apr. 28,'04	110½	110¼	4,000
" refunding g. 4's ...	1951	2,000,000	M & S	89	Feb. 5,'04	....	....	....
Kansas City Southern 1st g. 3's..	1950	30,000,000	A & O	70⅛	Apr. 28,'04	70¼	68¾	85,000
" registered...................			A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's...	1937	7,250,000	J & J	119	Apr. 27,'04	119	118	10,000
" 2d mtge. g. 5's...........	1941	3,625,000	J & J	112½	Apr. 15,'04	112½	112½	1,000
Northern Ohio 1st gtd g 5's...	1945	2,500,000	A & O	112	Feb. 16,'04	....	....	....
Lehigh Val. (Pa.) coll. g. 5's.....	1997	8,000,000	M & N	110	Feb. 3,'02	....	....	....
" registered....................			M & N	....	....	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s.	1940	15,000,000	J&J	107	Apr. 19,'04	107½	107	8,000
" registered..................		....	J&J	105	Jan. 6,'04	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's.	1941	10,000,000	A & O	113⅝	June 1,'02	....	....	....
" registered..................			A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's.	1933	10,014,000	J & J	107	Jan. 19,'04	....	....	....
" registered..............	1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's.....	1945	2,000,000	M&S	94	Dec. 24,'03	....	....	....
" registered..................			M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	....	....	....	....	....
" " g. gtd 5's.......	1914	1,250,000	A & O	100	Mar. 25,'99	....	....	....
Long Island 1st cons. 5's..........	1931	3,610,000	Q J	116	Apr. 9,'03	116	116	5,000
" 1st con. g. 4's............	1931	1,121,000	Q J	101	Nov. 22,'99	....	....	....
Long Island gen. m. 4's.........	1938	3,000,000	J & D	100	Apr. 29,'04	100	98½	4,000
" Ferry 1st g. 4½'s......	1922	1,494,000	M & S	101	Feb. 29,'04	....	....	....
" g. 4's..................	1932	325,000	J & D	102½	May 5,'97	....	....	....
" unified g. 4's...........	1949	6,860,000	M & S	98	Apr. 25,'04	98	96⅝	6,000
" deb. g. 5's........	1934	1,135,000	J & D	111	Jan. 22,'02	....	....	....
Brooklyn & Montauk 1st 6's....	1911	250,000	M & S	....	....	....	....	....
" 1st 5's................	1911	750,000	M & S	105¼	Mar. 3,'03	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's, ..	1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's,	1927	883,000	M & S	112½	Jan. 10,'02	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's,	1932	1,425,000	QJAN	112¼	Apr. 9,'02	....	....	....
Louis. & Nash. gen. g. 6's.......	1930	8,584,000	J & D	117⅝	Apr. 12,'04	117⅝	115⅝	12,000
" gold 5's................	1937	1,764,000	M & N	110½	Dec. 18,'03	....	....	....
" Unified gold 4's........	1940	29,677,000	J & J	100½	Apr. 30,'04	100½	98⅞	497,000
" registered	1940		J & J	83	Feb. 27,'93	....	....	....
" collateral trust g. 5's,	1931	5,129,000	M & N	110	Mar. 28,'04	....	....	....
" 5-20yr. col. tr. deed g. 4's.	1923	23,000,000	A A O	96¾	Apr. 26,'04	96¾	93¼	29,000
" E., Hend. & N. 1st 6's..	1919	1,730,000	J & D	113	Nov. 5,'03	....	....	....
" L. Cin. & Lex. g. 4½'s,..	1931	3,258,000	M & N	108¼	Jan. 30,'03	....	....	....
" N. O. & Mobile 1st g. 6's..	1930	5,000,000	J & J	125	Mar. 30,'04	....	...	....
" 2d g. 6's...............	1930	1,000,000	J & J	122¾	Aug. 31,'03	....	....	....
" Pensacola div. g. 6's...	1920	580,000	M & S	116⅝	Mar. 22,'02	....	....	....
" St. Louis div. 1st g. 6's.	1921	3,500,000	M & S	122	Apr. 21,'04	122	121	2,000
" 2d g. 3's...............	1980	3,000,000	M & S	75	June 20,'02	....	....	....
" H. B'ge 1st sk'fd. g 6's.	1931	1,587,000	M & S	....	....	....	....	....
" Ken. Cent. g. 4's......	1987	6,742,000	J & J	97¾	Jan. 27,'04	....	....	....
" L. & N. & Mob. & Montg 1st. g. 4½s...........	1945	4,000,000	M & S	107½	June 2,'02	....	....	....
" South. Mon. joint 4's.	1952	11,827,000	J & J	91⅞	Apr. 30,'04	91⅞	91	72,000
" registered................			Q Jan	....	....	....	....	....
" N. Fla. & S. 1st g. g. 5's,	1937	2,096,000	F & A	111	Dec. 8,'03	....	....	....
" Pen. & At. 1st g. g. 6's,	1921	2,454,000	F & A	115	Jan. 29,'04	....	....	....
" S. & N. A. con. gtd. g. 5's.	1936	3,678,000	F & A	112	Apr. 21,'04	112	112	1,000
" So. & N. Ala. si'fd. g. 6s,	1910	1,942,000	A & O	110	Mar. 23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's.	1945	3,000,000	M & S	97½	Apr. 9,'04	97½	97½	1,000
Manhattan Railway Con. 4's.....	1990	28,065,000	A & O	102⅝	Apr. 23,'04	102⅝	101½	66,000
" registered..................			A & O	103⅞	Dec. 17,'02	....	....	....

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	APRIL SALES. *High.*	APRIL SALES. *Low.*	APRIL SALES. *Total.*
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	109¼	Apr. 25,'04	109⅝	108¾	95,000
Manitoba Swn. Coloniza'n g. 5's,	1934	2,544,000	J & D	....	....	....	....	....
Mexican Central.								
" con. mtge. 4's	1911	65,690,000	J & J	67⅛	Apr. 30,'04	68	64⅛	96,000
" 1st con. inc. 3's	1939	20,511,000	JULY	13⅛	Apr. 30,'04	18¾	12½	458,000
" 2d 3's	1939	11,724,000	JULY	7	Apr. 30,'04	8½	6	516,000
" equip. & collat. g. 5's	1917	600,000	A & O	....	....	....	....	....
" 2d series g. 5's	1919	715,000	A & O	....	....	....	....	....
" col. trust g. 4½'s 1st se of	1907	10,000,000	F & A	95¾	Apr. 12,'04	96	94¾	61,000
Mexican Internat'l 1st con g. 4's,	1977	3,362,000	M & S	90⅝	July 29,'01	....	....	....
" stamped gtd.		3,621,000	......	....	....	....	....	....
Mexican Northern 1st g. 6's	1910	1,061,000	J & D	....	....	....	....	....
" registered			J & D	105	May 2,19'	....	....	....
Minneapolis & St. Louis 1st g. 7's.	1927	950,000	J & D	142	Dec. 7,'03	....	....	....
" Iowa ext. 1st g. 7's	1909	1,015,000	J & D	112⅜	Dec. 24,'03	....	....	....
" Pacific ext. 1st g. 6's	1921	1,382,000	J & A	120½	Feb. 29,'04	....	....	....
" Southw. ext. 1st g. 7's	1910	636,000	J & D	121	Jan. 21,'02	....	....	....
" 1st con. g. 5's	1934	5,000,000	M & N	115	Mar. 31,'04	....	....	....
" 1st & refunding g. 4's	1949	7,600,000	M & S	96	Apr. 29,'04	96	95⅛	34,000
Minn., S. P. & S. S. M., 1st c. g. 4's.	1938	26,815,000	J & J	98	Apr. 3,'01	....	....	....
" stamped pay. of int. gtd.				....	....	....	....	....
Minneapolis & Pacific 1st m. 5's.	1936	337,000	J & J	102	Mar. 26,'87	....	....	....
" stamped 4's pay. of int. gtd.				....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's.	1926	8,209,000	J & J	103	Nov. 11,'01	....	....	....
" stamped pay. of int. gtd.				89⅝	June 18,'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's.	1990	40,000,000	J & D	100	Apr. 30,'04	100⅛	99½	146,000
" 2d mtge. g. 4's	1990	20,000,000	F & A	78⅝	Apr. 29,'04	79¼	77⅞	243,000
" 1st ext gold 5's	1944	2,868,000	M & N	103½	Apr. 30,'04	104⅜	100½	376,000
St. Louis div. 1st refundg 4s	2001	1,852,000	A & O	82	Mar. 28,'04	....	....	....
Dallas & Waco 1st gtd. g. 5's	1940	1,340,000	M & N	102	Jan. 26,'04	....	....	....
Mo. K. & T. of Tex 1st gtd. g. 5's.	1942	3,907,000	M & S	101⅞	Apr. 30,'04	102¼	100½	131,000
Sher. Shrevept & So 1st gtd. g. 5's	1943	1,689,000	J & D	103	Mar. 15,'04	....	....	....
Kan. City & Pacific 1st g. 4's	1990	2,500,000	F & A	86½	Apr. 18,'04	86½	86½	1,000
Mo. Kan. & East'n 1st gtd. g. 5's.	1942	4,000,000	A & O	108	Apr. 29,'04	108	106½	21,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	122⅜	Apr. 30,'04	122⅜	120⅞	140,000
" 3d mortgage 7's	1906	3,828,000	M & N	109½	Apr. 25,'04	109½	109½	20,000
" trusts gold 5's stamp'd	1917	14,376,000	M & S	105⅜	Apr. 29,'04	105½	105½	101,000
" registered			M & S	....	....	....	....	....
" 1st collateral gold 5's.	1920	9,636,000	F & A	106	Apr. 12,'04	106	105¾	3,000
" registered			F & A	....	....	....	....	....
Cent. Branch Ry. 1st gtg. g. 4's.	1919	3,459,000	F & A	93	Apr. 28,'04	93	92½	10,000
Leroy & Caney Val. A. L. 1st 5's.	1926	520,000	J & J	100	May 1,'01	....	....	....
Little Rock & Ft. Smith 1st 7's.	1905	3,000,000	J & J	....	....	....	....	....
Pacific R. of Mo. 1st m. ex. 4's.	1938	7,000,000	M & S	102¼	Apr. 16,'04	102¼	101¾	14,000
" 2d extended g. 5's	1938	2,573,000	F & A	114¼	Apr. 28,'04	114¼	110	4,000
St. L. & I. g. con. R.R. & l. gr. 5's	1931	36,799,000	A & O	113	Apr. 29,'04	113⅛	112⅜	125,000
" stamped gtd gold 5's	1931	6,532,000	A & O	109¾	Oct. 21,'03	....	....	....
" unify'g & rfd'g g. 4's.	1929	27,563,000	J & J	88	Apr. 30,'04	88⅛	87½	178,000
" registered			J & J	87¼	Apr. 23,'04	87¼	87¼	1,000
" Riv & Gulf divs 1st g 4s.	1933	14,924,000	M & N	92¾	Apr. 29,'04	92¾	91¼	32,000
" registered			M & N	....	....	....	....	....
Verdigris V'y Ind. & W. 1st 5's.	1926	750,000	M & S	....	....	....	....	....
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	111½	Mar. 8,04'	....	....	....
" small		226,000	J & J	90	Feb. 4,'03	....	....	....
" mtg. g. 4's	1945	700,000	J & J	91	Feb. 25,'04	....	....	....
" small		500,000	......	....	....	....	....	....
Mob. Jackson & Kan. City 1st g. 5's.	1946	1,882,000	J & D	102	July 25,'02	....	....	....
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	126	Apr. 23,'03	126	126	5,000
" 1st extension 6's	1927	974,000	J & D	121	Apr. 23,'04	121	121	2,000
" gen. g. 4's	1938	9,472,000	Q J	93½	Apr. 15,'04	93½	90	9,000
" Montg'ry div. 1st g. 5's.	1947	4,000,000	F & A	114	Jan. 18,'04	....	....	....
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	90	Apr. 13,'03	91	90	11,000
" collateral g. 4's	1930	2,494,000	Q F	88½	Mar. 8,'03	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	123	Apr. 18,'04	123	122½	9,000
" 1st cons. g. 5's	1928	7,566,000	A & O	111	Apr. 18,'04	111	110½	3,000
" 1st g. 6's Jasper Branch.	1923	371,000	J & J	123	Mar. 28,'01	....	....	....
" 1st 6's McM. M.W. & Al.	1917	750,000	J & J	116	July 31,'02	....	....	....
" 1st 6's T. & Pb	1917	300,000	J & J	110	Dec. 20,'99	....	....	....
Nat. R.R. of Mex. prior lien g. 4½'s.	1926	20,000,000	J & J	101½	Apr. 29,'04	101½	101½	3,000
" 1st con. g. 4's	1951	22,000,000	A & O	74	Apr. 27,'04	74⅛	73½	49,000
N. O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108½	Aug. 13,'94	....	....	....

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N.Y. Cent. & Hud. R. g. mtg. 3½s	1997	70,857,000	J & J	98¾	Apr. 30,'04	98⅞	98	290,000
" " registered			J & J	98	Jan. 27,'04			
" debenture 5's	1884-1904	4,480,000	M & S	100⅞	Apr. 20,'04	100⅞	100⅞	6,000
debenture 5's reg			M & S	100⅞	Apr. 6,'04	100⅞	100⅞	16,000
" reg. deben. 5's	1889-1904	639,000	M & S	103⅛	Apr. 30,'01			
" debenture g. 4's	1890-1905	5,094,000	J & D	100⅝	Mar. 2,'04			
" registered			J & D	99	Dec. 12,'02			
" deb. cert. ext. g. 4's	1905	3,581,000	M & N	101⅛	Apr. 8,'04	101⅛	101⅛	1,000
" registered			M & N	99½	Nov. 8,'02			
Lake Shore col. g. 3½s	1998	90,578,000	F & A	89¼	Apr. 29,'04	89½	88¾	221,000
" registered			F & A	88⅛	Apr. 23,'04	88¼	86⅞	71,000
Michigan Central col. g. 3½s	1998	19,336,000	F & A	88½	Apr 27,'04	88½	87½	61,000
" registered			F & A	91	Jan. 17,'03			
Beech Creek 1st. gtd. 4's	1936	5,000,000	J & J	105⅞	Mar. 29,'04			
" registered			J & J	102	Mar. 31,'03			
" 2d gtd. g. 5's	1936	500,000	J & J					
" registered			J & J					
" ext. 1st. gtd. g. 3½'s	1951	3,500,000	A & O					
" registered			A & O					
Carthage & Adiron. 1st gtd g. 4's	1981	1,100,000	J & D					
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A.	1940	716,000	J & J	95	Apr. 3,'02			
" small bonds series B		33,000	J & J					
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D					
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	107½	July 6,19'			
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	105	Oct. 10,'02			
" reg. certificates			F & A					
N.Y. & Putnam 1st con. gtd g. 4's	1993	4,000,000	A & O	105½	Nov. 15,'96			
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O					
West Shore 1st guaranteed 4's	2361	50,000,000	J & J	108	Apr. 30,'04	108	107¾	96,000
" registered			J & J	107	Apr. 27,'04	107	106½	26,000
Lake Shore g 3½s	1997			99½	Apr. 20,'04	99½	98⅞	110,000
" registered		50,000,000	J & D	98	Apr. 13,'04	98	98	5,000
" deb. g. 4's	1928	40,000,000	M & S	99	Apr. 29,'04	99⅝	99	18,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	114	Feb. 6,'02			
Kal., A. & G. R. 1st gtd c. 5's	1938	840,000	J & J					
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	121	Nov. 21,'03			
Pitt McK'port & Y. 1st gtd 6's	1932	2,250,000	J & J	139	Jan. 21,'03			
" 2d gtd 6's	1934	900,000	J & J					
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J					
Michigan Cent. 6's	1909	1,500,000	M & S	109⅝	Apr. 19,'04	109⅝	109⅝	1,000
" 5's	1931	3,576,000	M & S	122	Jan. 16,'04			
" 5's reg	1931		Q M	127	June 19,'02			
" 4's	1940	2,600,000	J & J	106¼	Apr. 30,'04	106¼	105½	23,000
" 4's reg			J & J	106½	Nov. 26,19'			
" g. 3½'s sec. by 1st mge. on J. L. & S		1,900,000	M & S					
" 1st g. 3½'s	1952	12,000,000	M & N	97¼	Apr. 21,'04	97¼	97	2,000
Battle C. Sturgis 1st g. g. 3's	1989	476,000	J & D					
N. Y. & Harlem 1st mort. 7's c	1900	12,000,000	M & N	100	Sept. 24,19'			
" 7's registered	1900		M & N	102¾	Apr. 6,19'			
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	113	Apr. 4,'04	113	113	3,000
R. W. & Og. con. 1st ext. 5's	1922	2,081,000	A & O	116½	Apr. 7,'04	116½	116½	1,000
coup. g. bond currency			A & O					
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	113¾	Jan. 25,'02			
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N					
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	104¼	Apr. 5,'04	104¼	104¼	1,000
N.Y., Chic. & St. Louis 1st g. 4's	**1937**	**19,425,000**	**A & O**	**103**	**Apr. 25,'04**	**103⅛**	**102¾**	**26,000**
" registered			**A & O**	**101**	**Mar. 28,'03**			
N. Y., N. Haven & Hartford.								
Housatonic R. con. g. 5's	**1937**	**2,838,000**	**M & N**	**131¾**	**Apr. 29,'03**			
New Haven and Derby con. 5's	**1918**	**575,000**	**M & N**	**115½**	**Oct. 15,'94**			
N. Y. & New England 1st 7's	**1905**	**6,000,000**	**J & J**	**101⅞**	**Apr. 20,'03**	**101⅞**	**101⅞**	**4,000**
" 1st 6's	**1905**	**4,000,000**	**J & J**	**101**	**Sept. 8,'03**			
N.Y., Ont. & W'n. ref'ding 1st g. 4's	**1992**	**16,937,000**	**M & S**	**101**	**Apr. 23,'04**	**101¼**	**100½**	**55,000**
" registered.......$5,000 only.			**M & S**	**100**	**Dec. 7,'03**			
Norfolk & Southern 1st g. 5's	**1941**	**1,590,000**	**M & N**	**112½**	**Apr. 12,'04**	**112½**	**112**	**17,000**
Norfolk & Western gen. mtg. 6's	**1931**	**7,283,000**	**M & N**	**132**	**Sept. 2,'03**			
" imp'ment and ext. 6's	**1934**	**5,000,000**	**F & A**	**127**	**Nov. 28,'03**			
" New River 1st 6's	**1932**	**2,000,000**	**A & O**	**127**	**Apr. 27,'03**	**127**	**125¼**	**31,000**

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Norfolk & West. Ry 1st con. g. 4s.	1996	38,710,500	A & O	98	Apr. 30,'04	98	97	222,000
" registered			A & O	96⅛	Sept.22,'03			
" small bonds			A & O					
" Pocahon C.&C.Co.jt.4's.	1941	20,000,000	J & D	91¾	Apr. 30,'04	91¾	90	176,000
" C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	107⅛	July 1,'01			
" Sci'o Val & N.E. 1st g. 4's.	1989	5,000,000	J & N	101⅛	Apr. 30,'04	101⅛	100	25,000
N. P. Ry prior ln ry.&ld.gt.g.4's.	1997	101,392,500	Q J	103¾	Apr. 30,'04	103¾	102¾	479,000
" registered			Q J	102⅝	Apr. 27,'04	102⅝	102	6,000
" gen. lien g. 3's	2047	56,000,000	Q F	72⅞	Apr. 29,'04	73	71⅞	245,000
" registered			Q F	70¼	Feb. 10,'04			
St. Paul & Duluth div. g. 4's	1996	7,897,000	J & D	97⅝	Jan. 11,'04			
" registered			J & D					
St. Paul & N. Pacific gen g. 6's.	1923	7,985,000	F & A	122¼	Mar. 9,'04			
" registered certificates			Q F	132	July 28,'98			
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	112⅛	July 21,'03			
" 2d 5's	1917	2,000,000	A & O	105⅛	Apr. 11,'04	105⅛	105⅛	1,000
" 1st con. g. 4's	1968	1,000,000	J & D	98	Nov. 27,'03			
Washington Cen. Ry 1st g. 4's.	1948	1,538,000	QMCH	94⅛	Feb. 19,'01			
Nor. Pacific Term. Co. 1st g. 6's.	1933	3,641,000	J & J	112⅛	Mar. 29,'04			
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	114⅛	May 4,'02			
" gen. mortg. g 6's	1937	2,428,000	A & O	108⅛	July 29,'02			
Pacific Coast Co. 1st g. 5's	1946	4,446,000	J & D	108⅛	Apr. 22,'04	109¼	108⅛	14,000
Panama 1st sink fund g. 4½'s	1917	2,246,000	A & O	102	Apr. 21,'03			
" s. f. subsidy g 6's	1910	837,000	M & N	102	Apr. 14,'02			
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	109	Apr. 29,'04	109	108⅛	66,000
" reg	1921		J & J	107½	Apr. 12,'04	107½	107½	1,000
" gtd. 3½ col. tr. reg. cts.	1937	4,895,000	M & S	96	Feb. 8,'04			
" gtd. 3½ col. tr. cts. ser B	1941	9,794,000	F & A	92¼	Dec. 28,'03			
" Trust Co. ctfs. g. 3½'s.	1916	17,332,000	M & N	95⅝	Mar. 25,'04			
Chic., St. Louis & P. 1st c. 5's.	1932	1,506,000	A & O	118	Dec. 21,'03			
" registered			A & O	110	May 3,'92			
Cin., Leb. & N. 1st con. gtd. g. 4's.	1942	900,000	J & J					
Clev.&P. gen. gtd. g. 4½'s Ser. A.	1942	3,000,000	J & J	108¼	Aug. 21,'03			
" Series B	1942	1,561,000	A & O					
" " int. reduc. 3½ p.c.		439,000						
" Series C 3½s	1948	3,000,000	M & N					
" Series D 3½s	1950	1,933,000	F & A	96	Jan. 8,'04			
E.&Pitts. gen. gtd. g. 3½s Ser. B.	1940	2,250,000	J & J	102	Nov. 7,'19'			
" " " C.	1940	1,508,000	J & J	98¾	Apr. 4,'04	98¾	98¾	10,000
Newp. & Cin. Bge Co. gtd g. 4's.	1945	1,400,000	J & J					
Pitts., C. C. & St. L. con. g 4½'s..								
" Series A	1940	10,000,000	A & O	108	Apr. 25,'04	108	108	1,000
" Series B gtd	1942	8,786,000	A & O	110	Mar. 5,'04			
" Series C gtd	1942	1,379,000	M & N	116⅛	Feb. 14,'01			
" Series D gtd. 4's	1945	4,983,000	M & N	101⅛	Mar. 11,'04			
" Series E gtd. g. 3½s	1949	10,421,000	F & A	92	Feb. 13,'04			
Pitts., Ft. Wayne & C. 1st 7's.	1912	2,219,000	J & J	127⅝	Oct. 21,'02			
" 2d 7's	1912	1,918,000	J & J	121	Mar. 4,'03			
" 3d 7's	1912	2,000,000	A & O	119	Apr. 11,'04	119	119	1,000
Tol Walhonding Vy.&O. 1st gtd. bds 4½'s series A	1931	1,500,000	J & J					
" 4½'s series B	1933	978,000	J & J					
" 4's series C	1942	1,453,000	M & S					
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	M & N	105	Mar. 28,'04			
con. sterling gold 6 per cent	1905	22,762,000	J & J					
con. currency, 6's registered	1905	4,718,000	Q M 15					
con. gold 5 per cent	1919	4,998,000	M & S	114	Dec. 15,'03			
" registered			Q M					
con. gold 4 per cent	1943	3,825,000	M & N	106	Aug. 28,'03			
" ten year conv. 3½'s.	1912	20,697,500	M & N	97	Apr. 30,'04	97	96½	82,000
Allegh. Valley gen. gtd. g. 4's.	1942	5,389,000	M & S	110	Aug. 28,19'			
Belvedere Del. con. gtd. 3½'s.	1943	1,000,000	J & J					
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	112¾	Mar. 7,19'			
Del. R. RR. & Bge Co 1st gtd g. 4's.	1936	1,300,000	F & A					
G.R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	108½	Apr. 20,'04	108½	108½	10,000
Sunbury & Lewistown 1st g. 4's.	1936	500,000	J & J					
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	117	May 1,19'			
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	123½	Jan. 18,'04			
" 2d m 4½'s	1921	1,499,000	M & N	95	June 16,'03			
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr. 28,'02			
Flint & Pere Marquette g. 6's.	1920	3,999,000	A & O	118	Apr. 19,'04	118	118	9,000
" 1st con. gold 5's	1939	2,850,000	M & N	110½	Apr. 13,'04	110½	108	2,000
" Port Huron d 1st g 5's.	1939	3,325,000	A & O	110½	Feb. 19,'04			
Sag'w Tusc. & Hur. 1st gtd. g. 4's.	1931	1,000,000	F & A					
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'93			

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	April Sales. High.	April Sales. Low.	April Sales. Total.
Pittsburg, Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01			
Pittsburg & L. E. 2d g. 5's ser. A,	1928	2,000,000	A & O	112½	Dec. 18,'98			
Pitts., Shena'go & L. E. 1st g. 5's,	1940	3,000,000	A & O	115½	Mar. 7,'04			
" 1st cons. 5's	1943	406,000	J & J	87¾	Jan. 12,19'			
Pittsburg, Y & Ash., 1st cons. 5's,	1927	1,562,000	M & N	120½	Dec. 8,'02			
Reading Co. gen. g. 4's	1997	66,026,000	J & J	98½	Apr. 30,'04	98½	96⅝	662,000
" registered			J & J	96½	July 2,'03			
" Jersey Cent. col. g. 4's	1957	23,000,000		93	Apr. 25,'04	93	92	84,000
" " registered								
Atlantic City 1st con. gtd. g. 4's	1951	1,063,000	M & N					
Philadelphia & Reading con. 6's	1911	7,304,000	J & D					
" registered		663,000	J & D					
" 7's	1911	7,310,000	J & D	119¼	Apr. 2,'04	119¼	119¼	1,000
" " registered		3,339,000	J & D					
Rio Grande Junc'n 1st gtd. g. 5's,	1939	1,850,000	J & D	105	Dec. 19,'03			
Rio Grande Southern 1st g. 4's	1940	2,233,000	J & J	63½	Mar. 29,'04			
" guaranteed		2,277,000		94¼	Nov. 15,'02			
Rutland RR 1st con. g. 4½ s	1941	2,440,000	J & J					
Ogdnsb. & L. Ch'n. Ry. 1st gtd g4s	1948	4,400,000	J & J					
Rutland Canadian 1st gtd. g. 4's	1949	1,350,000	J & J	101¼	Nov. 18,'01			
St. Jo. & Gr. Isl. 1st g. 2.342	1947	3,500,000	J & J	87	Dec. 21,'03			
St. L. & Adirondack Ry. 1st g. 5's	1996	800,000	J & J					
" 2d g. 6's	1996	400,000	A & O					
St. Louis & San F. 2d 6's, Class B,	1906	998,000	M & N	104½	Mar. 8,'04			
" 2d g. 6's, Class C	1906	829,000	M & N	104½	Dec. 22,'03			
" gen. g. 6's	1931	3,681,000	J & J	122¾	Mar. 14,'04			
" gen. g. 5's	1931	5,803,000	J & J	112	Apr. 28,'04	112	111	31,000
St. L & San F. R. R. con. g. 4's	1996	1,558,000	J & D	96	Apr. 14,'04	96	96	1,000
" S. W. div. g. 5's	1947	829,000	A & O	100	Jan. 21,'04			
" refunding g. 4's	1951	56,585,000	J & J	82½	Apr. 30,'04	83¼	82	521,000
" " registered			J & J					
" 5 year 4½'s gold notes	1908	5,613,000	J & D					
Kan. Cy Ft. S. & Mem R R con g 6's	1928	13,736,000	M & N	119½	Feb. 4,'04			
Kan. Cy Ft. S & M Ry ref g gtd g4s	1936	15,329,000	A & O	80½	Apr. 30,'04	80½	78¼	504,000
" registered			A & O	78½	Jan. 14,'04			
Kan. Cy & M. R. & B. Co. 1st gtd g5s	1929	3,000,000	A & O					
St. Louis S. W. 1st g. 4's Bd. ctfs.,	1989	20,000,000	M & N	96½	Apr. 29,'04	96⅞	94⅝	386,000
" 2d g. 4's inc. Bd. ctfs.	1989	3,272,500	J & J	77	Apr. 19,'04	78	77	70,000
" con. g. 4's	1932	12,054,000	J & D	74	Apr. 28,'04	74¾	72	700,000
Gray's Point, Term. 1st gtd. g. 5's	1947	339,000	J & D					
St. Paul, Minn. & Manito'a 2d 6's	1909	7,197,000	A & O	107⅝	Apr. 11,'04	107⅝	107⅝	1,000
" 1st con. 6's	1933	13,344,000	J & J	131	Mar. 28,'04			
" 1st con. 6's, registered			J & J	140	May 14,'02			
" 1st c. 6's, red'd to g. 4½'s		19,408,000	J & J	108¾	Apr. 21,'04	108½	108¼	10,000
" 1st cons. 6's register'd			J & J	115¼	Apr. 15,'01			
" Dakota ext'n g. 6's	1910	5,465,000	M & N	111½	Apr. 19,'04	111½	111½	3,000
" Mont. ext'n 1st g. 4's	1937	10,185,000	J & D	101¾	Apr. 16,'04	101¾	101¼	66,000
" registered			J & D	106	May 6,'01			
Eastern R'y Minn. 1st d. 1st g. 5's	1908	4,700,000	A & O	104	Aug. 15,'03			
" registered			A & O					
" Minn. N. div. 1st g. 4's	1940	5,000,000	A & O					
" registered			A & O					
Minneapolis Union 1st g. 6's	1922	2,150,000	J & J	128	Apr. 4,19'			
Montana Cent. 1st 6's int. gtd	1937	6,000,000	J & J	135	Apr. 25,'04	135⅝	133	20,000
" 1st 6's, registered			J & J	115	Apr. 24,'97			
" 1st g. g. 5's	1937	4,000,000	J & J	114½	Mar. 16,'04			
" registered			J & J					
Willmar & Sioux Falls 1st g. 5's,	1938	3,625,000	J & D	117	Jan. 11,'04			
" registered			J & D					
Salt Lake City 1st g. s. f. 6's	1913	297,000	J & J					
San Fe Pres. & Phoe. Ry. 1st g. 5's,	1942	4,940,000	M & S	110	Jan. 7,'04			
San Fran. & N. Pac. 1st s. f. g. 5's,	1919	3,872,000	J & J	113¾	Dec. 11,'01			
Seaboard Air Line Ry g. 4's	1950	12,775,000	A & O	69½	Apr. 26,'04	69½	68	47,000
" registered			A & O					
" col. trust refdg g. 5's	1911	10,000,000	M & N	99½	Apr. 30,'04	99½	98	28,000
Carolina Central 1st con. g. 4's	1949	2,847,000	J & J	92¼	Apr. 30,'04	92¼	92¼	3,000
Fla Cent & Peninsular 1st g. 5's	1918	3,000,000	J & J	100	Sept. 6,'99			
" 1st land grant ext g. 5's	1930	410,000	J & J					
" cons. g. 5's	1943	4,370,000	J & J	106½	Feb. 26,'02			
Georgia & Alabama 1st con. 5's	1945	2,922,000	J & J	104¼	Apr. 27,'04	104¼	102⅞	63,000
Ga. Car. & Nthern 1st gtd g. 5's	1929	5,360,000	J & J	107	Dec. 15,'03			
Seaboard & Roanoke 1st 5's	1926	2,500,000	J & J					
Sodus Bay & Sout'n 1st 5's, gold,	1924	500,000	J & J	102	Jan. 20,'03			
Southern Pacific Co.								
" 2-5 year col. trust g. 4½'s	1905	30,000,000	J & D	101¼	Apr. 29,'04	101½	100	484,000
" g. 4's Central Pac. coll	1949	28,818,500	J & D	91	Apr. 29,'04	91	89½	195,000
" " registered			J & D	87	Jan. 20,'04			

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Austin & Northw'n 1st g. 5's...1941	1,920,000	J & J	102	Apr. 29,'04	102	100¼	6,000
Cent. Pac. 1st refud. gtd.g. 4's..1949	64,756,000	F & A	99⅞	Apr. 30,'04	100	99	101,000
• registered..................		F & A	99¼	Mar. 5,'93	....	....	....
• mtge. gtd. g. 3½'s...1929	18,040,500	J & D	85	Apr. 22,'04	85½	84½	15,500
• • registered		J & D	....	....	....	....	....
Gal. Harrisb'gh & S.A. 1st g 6's..1910	4,756,000	F & A	110¼	Feb. 27,'03	....	....	....
• 2d g 7's..................1905	1,000,000	J & D	103¾	Apr. 12,'04	103¾	103¾	1,000
• Mex. & P. div 1st g 5's.1931	13,418,000	M & N	109	Apr. 25,'04	109	109	1,000
Gila Val. G. & N'n 1st gtd g 5's.1924	1,514,000	M & N	108	Apr. 28,'04	108	108	5,000
Houst. E. & W. Tex. 1st g. 5's..1933	501,000	M & N	105	Dec. 18,'03	....	....	....
• 1st gtd. g. 5's..........1933	2,199,000	M & N	103	Nov. 6,'02	....	....	....
Houst. & T.C. 1st g 5's int. gtd..1937	5,267,000	J & J	112	Apr. 14,'04	112	112	3,000
• con. g 6's int. gtd......1912	2,616,000	A & O	113	Mar. 21,'04	....	....	....
• gen. g 4's int. gtd......1921	4,287,000	A & O	93¼	Apr. 25,'04	93⅛	93⅛	26,000
• W&Nwn.div.1st.g.6's.1930	1,105,000	M & N	127½	Feb. 27,'02	....	....	....
Louisiana Western 1st 6's 1921	2,240,000	J & J	....	....	....	....	....
Morgan's La & Tex. 1st g 6's....1920	1,494,000	J & J	122	Sept. 15,'02	....	....	....
• 1st 7's..................1918	5,000,000	A & O	130	Apr. 26,'04	130	130	5,000
N. Y. Tex. & Mex. gtd. 1st g 4's..1912	1,465,000	A & O	....	....	....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's.1907	3,964,000	J & J	106⅝	Apr. 20,'04	106⅝	106⅝	127,000
• gtd. g. 5's..................	4,751,000	A & O	113	Jan. 4,'01	....	....	....
Oreg. & Cal. 1st gtd. g 5's........1927	18,831,000	J & J	100	Jan. 8,'04	....	....	....
San Ant. & Aran Pass 1st gtd g 4's.1943	18,900,000	J & J	80	Apr. 25,'04	80	78¾	70,000
South'n Pac. of Ariz. 1st 6's.....1909	6,000,000	J & J	108⅛	Apr. 30,'04	108⅛	108⅛	1,000
• • • 1910	4,000,000	J & J	107	Apr. 27,'04	107	107	10,000
• of Cal. 1st g 6's ser. A.1905	29,187,500	A & O	101½	Apr. 21,'04	101½	101½	1,000
• • • ser. B.1905		A & O	102	Oct. 22,'03	....	....	....
• • • C. & D.1906		A & O	102	Apr. 12,'04	102	102	4,000
• • • E. & F.1902		A & O	114½	Apr. 18,'04	114½	114½	1,000
• • • 1912	....	A & O	119	Mar. 17,'03	....	....	....
• 1st con. gtd. g 5's...1937	6,809,000	M & N	119	Feb. 2,'04	....	....	....
• stamped........1905-1937	21,546,000	......	110	Apr. 30,'04	110	109½	11,000
So. Pacific Coast 1st gtd. g. 4's.1937	5,500,000	J & J	....	....	....	....	....
• of N. Mex. c. 1st 6's.1911	4,180,000	J & J	108	Mar. 9,'04	....	....	....
Tex. & New Orleans 1st 7's......1905	862,000	F & A	101	Feb. 5,'04	....	....	....
• Sabine div. 1st g 6's...1912	2,575,000	M & S	111½	Oct. 30,'02	....	....	....
• con. g 5's..............1943	1,620,000	J & J	103	Jan. 29,'04	....	....	....
Southern Railway 1st con. g 5's.1994	39,208,000	J & J	115¾	Apr. 30,'04	115¾	113	524,000
• registered..................		J & J	110	Feb. 29,'04	....	....	....
Mob. & Ohio collat. trust g. 4's.1938	7,999,000	M & S	94	Apr. 25,'04	94	93	33,000
• registered..................		M & S	....	....	....	....	....
• Memph.div.1stg.4-4½-5's.1996	5,183,000	J & J	118	Dec. 18,'03	....	....	....
• registered..................		J & J	....	....	....	....	....
• St. Louis div. 1st g. 4's...1951	11,250,000	J & J	94	Apr. 30,'04	94¾	93¾	35,000
• • registered.........		J & J	....	....	....	....	....
Alabama Central, 1st 6's.......1918	1,000,000	J & J	117½	Apr. 20,'04	117½	115	4,000
Atlantic & Danville 1st g. 4's..1948	3,925,000	J & J	91⅝	Mar. 18,'04	....	....	....
Atlantic & Yadkin, 1st gtd g 4s.1949	1,500,000	A & O	....	....	....	....	....
Col. & Greenville, 1st 5-6's.....1916	2,000,000	J & J	116	Oct. 20,'03	....	....	....
East Tenn., Va. & Ga. div. g. 5's.1930	3,106,000	J & J	113½	Apr. 23,'04	113½	113½	1,000
• con. 1st g 5's..........1956	12,770,000	M & N	119⅛	Apr. 20,'04	119⅛	118¼	24,000
• reorg. lien g 4's.......1938	4,500,000	M & S	109	Apr. 20,'04	109	109	2,000
• registered..................		M & S	....	....	....	....	....
Ga. Pacific Ry. 1st g 5-6's......1922	5,660,000	J & J	122	Mar. 18,'04	....	....	....
Knoxville & Ohio, 1st g 6's.....1925	2,000,000	J & J	120	Jan. 7,'04	....	....	....
Rich. & Danville, con. g 6's....1915	5,597,000	J & J	115	Apr. 14,'04	115	115	1,000
• deb. 5's stamped......1927	3,368,000	A & O	108½	Dec. 28,'03	....	....	....
Rich. & Mecklenburg 1st g. 4's.1948	315,000	M & N	92	Sept. 9,'02	....	....	....
South Caro'a & Ga. 1st g. 5's....1919	5,250,000	M & S	106	Apr. 30,'04	106	106	5,000
Vir. Midland serial ser. A 6's..1906	600,000	M & S	103	Mar. 29,'04	....	....	....
• small..................		M & S	....	....	....	....	....
• ser. B 6's..............1911	1,900,000	M & S	112½	Jan. 6,'03	....	....	....
• small..................		M & S	....	....	....	....	....
• ser. C 6's..............1916	1,100,000	M & S	123	Feb. 8,'02	....	....	....
• small..................		M & S	....	....	....	....	....
• ser. D 4-5's............1921	950,000	M & S	112	Feb. 18,'03	....	....	....
• small..................		M & S	....	....	....	....	....
• ser. E 5's..............1926	1,775,000	M & S	109½	Jan. 22,'04	....	....	....
• small..................		M & S	....	....	....	....	....
• ser. F 5's..............1931	1,310,000	M & S	108	Nov. 9,'03	....	....	....
Virginia Midland gen. 5's......1936	2,392,000	M & N	113	Apr. 29,'04	113	112	5,000
• gen.5's. gtd. stamped.1926	2,466,000	M & N	112½	Apr. 29,'04	112½	112½	5,000
W. O. & W. 1st cy. gtd. 4's.....1924	1,025,000	F & A	93	Dec. 31,'03	....	....	....
W. Nor. C. 1st con. g 6's........1914	2,531,000	J & J	113	Mar. 4,'04	....	....	....
Spokane Falls & North. 1st g. 6's..1939	2,812,000	J & J	117	July 25,'19'	....	....	....
Staten Isl. Ry. N.Y. 1st gtd. g. 4½'s.1943	500,000	J & D	104½	Sept. 2,'02	....	....	....

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Ter. R. R. Assn. St. Louis 1g 4½'s.	1939	7,000,000	A & O	114½	Dec. 1,'03	....	....	....
" 1st con. g. 5's	1894-1944	5,000,000	F & A	114⅞	Apr. 19,'04	114⅞	114⅞	1,000
St. L. Mers. bdg. Ter. gtd g. 5's.	1930	3,500,000	A & O	110	Mar. 26,'03	....	....	....
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th	1905	2,741,000	M & S	100	Sept. 30,'03	....	....	....
" 1st gold 5's	2000	22,234,000	J & D	118¼	Apr. 30,'04	118¼	116¾	291,000
" 2d gold income, 5's	2000	963,000	MAR.	89	Apr. 22,'04	89	85	13,000
" La. Div. B. L. 1st g. 5's	1931	3,348,000	J & J	108	Feb. 11,'04	....	....	....
Weatherford Mine Wells & Nwn. Ry. 1st gtd. 5's	1930	500,000	F & A	106½	Mar. 7,'04	....	....	....
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	113	Mar. 30,'04	....	....	....
" 1st M. g 5's West. div.	1935	2,500,000	A & O	111	Sept. 8,'03	....	....	....
" gen. g. 5's	1935	2,000,000	J & D	106	Apr. 25,'04	106	105	2,000
" Kanaw & M. 1st g. g. 4's.	1990	2,469,000	A & O	91	Apr. 18,'04	91	91	1,000
Toledo, Peoria & W. 1st g 4's	1917	4,400,000	J & D	90	Apr. 28,'04	90	86¼	40,000
Tol., St. L. & Wn. prior lien g 3½'s.	1925	9,000,000	J & J	84	Apr. 29,'04	84	83	41,000
" registered			J & J	....	....	....	....	....
" fifty years g. 4's	1925	6,500,000	A & O	70	Apr. 29,'04	70	68	59,000
" registered			A & O	....	....	....	....	....
Toronto, Hamilton & Buff 1st g 4s.	1946	3,280,000	J & D	98	Apr. 29,'03	....	....	....
Ulster & Delaware 1st c. g 5's	1928	2,000,000	J & D	109	Apr. 22,'04	109	108	9,000
" 1st ref. g. 4's	1952	700,000	A & O	....	....	....	....	....
Union Pacific R. R. & ld gt g 4s	1947	100,000,000	J & J	104¾	Apr. 30,'04	104¾	103⅛	439,500
" registered			J & J	104	Mar. 25,'04	....	....	....
" 1st lien con. g. 4's	1911	87,257,000	M & N	99⅝	Apr. 30,'04	100⅛	98⅛	5,003,000
" registered			M & N	96¾	Jan. 27,'04	....	....	....
Oreg. R. R. & Nav. Co. con. g 4's.	1946	21,482,000	J & D	101¾	Apr. 30,'04	101¾	101¼	55,000
Oreg. Short Line Ry. 1st g. 6's.	1922	13,651,000	F & A	122	Apr. 30,'04	122	121⅛	23,000
" 1st con. g. 5's.	1946	12,328,000	J & J	115	Apr. 27,'04	115	114¼	36,000
" 4's & participat'g g. bds.	1927	41,000,000	F & A	94¾	Apr. 30,'04	95¾	94¼	1,439,000
" registered			F & A	95¼	Apr. 13,'04	95¼	95¼	10,000
Utah & Northern 1st 7's	1908	4,993,000	J & J	112	Dec. 30,'03	....	....	....
" g. 5's	1926	1,802,000	J & J	114½	Apr. 19,'02	....	....	....
Virginia & S'western 1st gtd. 5's	2003	2,000,000	J & J	103⅛	Apr. 22,'04	103⅛	103⅛	1,000
Wabash R.R. Co., 1st gold 5's	1939	33,001,000	M & N	118	Apr. 30,'04	118	116⅛	206,000
" 2d mortgage gold 5's	1939	14,000,000	F & A	108¾	Apr. 27,'04	108¾	108	44,000
" deben. mtg series A	1939	3,500,000	J & J	101¼	Apr. 28,'03	....	....	....
" series B	1939	26,500,000	J & J	61⅝	Apr. 30,'04	63¾	60¾	2,469,000
" first lien eqpt. fd. g. 5's.	1921	2,755,000	M & S	102	Jan. 13,'04	....	....	....
" 1st lien 50 yr. g. term 4's.	1954	1,416,000	J & J	....	....	....	....	....
" 1st g. 5's Det. & Chi. ex.	1940	3,349,000	J & J	108⅛	Apr. 6,'04	108⅛	108⅛	5,000
" Des Moines div. 1st g. 4s.	1939	1,600,000	J & J	90	Feb. 20,'04	....	....	....
" Omaha div. 1st g. 3½s.	1941	3,000,000	A & O	81⅛	Apr. 25,'04	81⅛	81⅛	10,000
" Tol. & Chic. div. 1st g. 4's.	1941	3,000,000	M & S	98	Mar. 17,'02	....	....	....
St. L., K. C. & N. St. Chas. B. 1st 6's	1908	473,000	A & O	109¾	Mar. 13,'03	....	....	....
Western N.Y. & Penn. 1st g. 5's	1937	9,990,000	J & J	116	Apr. 19,'04	116	115¼	17,000
" gen g. 3-4's	1943	9,789,000	A & O	95⅞	Oct. 27,'03	....	....	....
" inc. 5's	1943	10,000,000	Nov.	40	Mar. 21,'01	....	....	....
West Va. Cent'l & Pitts. 1st g. 6's.	1911	3,250,000	J & J	122	Dec. 15,'03	....	....	....
Wheeling & Lake Erie 1st g. 5's.	1926	2,000,000	A & O	112	Apr. 18,'04	112	109¼	22,000
" Wheeling div. 1st g. 5's.	1928	894,000	J & J	110¼	Nov. 10,'03	....	....	....
" exten. and imp. g. 5's	1930	343,000	F & A	110	Mar. 6,'03	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's.	1949	11,618,000	M & S	89¾	Apr. 28,'04	89¾	87½	92,000
Wisconsin Cen. R'y 1st gen. g. 4s.	1949	23,743,000	J & J	90⅛	Apr. 30,'04	90⅛	89¼	126,000
Mil. & L. Winnebago 1st 6's	1912	1,430,000	J & J	....	....	....	....	....
STREET RAILWAY BONDS.								
Brooklyn Rapid Transit g. 5's	1945	6,625,000	A & O	102	Apr. 28,'04	102¼	99¼	106,000
" 1st ref. conv. g. 4's	2002	5,000,000	J & J	77⅛	Apr. 30,'04	77⅝	72⅞	679,000
" " registered			J & J	....	....	....	....	....
" City R. R. 1st c. 5's 1916.	1941	4,373,000	J & J	108⅛	Apr. 8,'04	108⅛	108⅛	2,500
" Qu. Co. & S. c. gd. g. 5's.	1941	2,255,000	M & N	100	Mar. 30,'04	....	....	....
" Union Elev. 1st. g. 4-5s.	1950	16,000,000	F & A	102⅛	Apr. 30,'04	102¾	101⅛	213,000
" stamped guaranteed			......	100¾	July 15,'03	....	....	....
Kings Co. Elev. R. R. 1st g. 4's.	1949	7,000,000	F & A	86¼	Apr. 28,'04	86¼	85	164,000
" stamped guaranteed			......	....	....	....	....	....
Nassau Electric R. R. gtd. g. 4's.	1951	10,474,000	J & J	80¼	Apr. 30,'04	80⅛	79¼	111,000
City & Sub. R'y, Balt. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn. Ry. & Lightg 1st & rfg. g4½'s.	1951	8,355,000	J & J	91	Apr. 7,'04	91	90	3,000
Denver Con. T'way Co. 1st g. 5's.	1933	730,000	A & O	97⅛	June 13,'19	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's.	1911	913,000	J & J	....	....	....	....	....
Detroit Cit'ens St. Ry. 1st con. g. 5's.	1905	5,485,000	J & J	103	Nov. 23,'01	....	....	....
Grand Rapids Ry 1st g. 5's	1916	2,750,000	J & D	....	....	....	....	....
Louisville Railw'y Co. 1st c. g. 5's.	1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's.	1913	3,000,000	J & J	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date: highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	APRIL SALES. *High.*	APRIL SALES. *Low.*	APRIL SALES. *Total.*
Metro. St. Ry N.Y.g. col. tr.g.5's.1997	12,500,000	F & A	112⅞	Apr. 30,'04	113⅛	112⅞	87,000
" refunding 4's..........2002	12,780,000	A & O	90½	Apr. 30,'04	90⅛	89	74,000
B'way & 7th ave. 1st con. g. 5's, 1943	7,650,000	J & D	115	Apr. 20,'04	115	115	1,000
" registered..................		J & D	119⅛	Dec. 3,19'	....	....	....
Columb. & 9th ave.1st gtd g 5's, 1993	3,000,000	M & S	115½	Mar. 24,'04	....	....	....
" registered..................		M & S	....	....	....	....	....
Lex ave & Pav Fer 1st gtd g 5's, 1993	5,000,000	M & S	114	Mar. 3,'04	....	....	....
" registered..................		M & S	....	....	....	....	....
Third Ave. R.R. 1st c.gtd.g.4's..2000	35,000,000	J & J	94⅝	Apr. 30,'04	94½	94¼	189,000
" registered..................		J & J	....	....	....	....	....
Third Ave. R'y N.Y. 1st g 5's...1937	5,000,000	J & J	118	Apr. 14,'04	118	118	4,000
Met. West Side Elev.Chic.1stg.4's.1938	9,808,000	F & A	94	Feb. 17,'04	....	....	....
" registered..................		F & A	....	....	....	....	....
Mil.Elec.R.&Light con.30yr.g.5's.1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's..........1919	4,050,000	J & J	110	June28,'01	....	....	....
St.Jos.Ry.Lig't,Heat&P.1stg.5's.1937	3,500,000	M & N	.....	....	....	....	....
St. Paul City Ry. Cable con.g.5's.1937	2,480,000	J&J15	109¼	Apr. 14,'03	....	....	....
" gtd. gold 5's............1937	1,138,000	J & J	112	Nov. 28,'99	....	....	....
Union Elevated (Chic.) 1st g.5's.1945	4,387,000	A & O	109½	Dec. 14,'99	....	....	....
United Railways of St.L.1st g.4's.1934	28,292,000	J & J	81	Apr. 11,'04	81	81	3,000
United R. R. of San Fr. s. fd. 4's...1927	20,000,000	A & O	77½	Apr. 28,'04	77¾	77	205,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,969,000	M & N	....	....	....	....	....
" 40 years con. g. 5's......1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....

MISCELLANEOUS BONDS.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	*Price.*	*Date.*	*High.*	*Low.*	*Total.*
Adams Express Co. col. tr. g. 4's.1948	12,000,000	M & S	101	Apr. 29,'04	101½	100⅝	89,000
Am.Steamship Co.of W.Va.g.5's 1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn.FerryCo.ofN.Y.1stc.g.5's.1948	6,500,000	F & A	64½	Apr. 22,'04	65	64	19,000
Chic. Junc. & St'k Y'ds col. g. 5's.1915	10,000,000	J & J	111	Sept.30,'03	....	....	....
Der. Mac.&Ma.ld.gt.3½'s sem.an.1911	1,775,000	A & O	76½	Mar. 31,'04	....	....	....
Hackensack Water Co. 1st 4's....1952	3,000,000	J & J	....	....	....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g.5's....1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim.gen. g. 4's.1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuilding & Dry Dock 5's............1890–1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...1951	11,580,000	F & A	90	Apr. 29,'04	91	90	14,500
" registered..................		F & A	....	....	....	....	....
St.Joseph Stock Yards 1st g. 4½'s 1930	1,250,000	J & J	....	....	....	....	....
St. Louis Terml. Cupples Station. & Property Co. 1st g 4½'s 5-20..1917	3,000,000	J & D	....	....	....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	108	Nov. 28,'03	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	113½	Dec. 18,19'	....	....	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.							
Series D 4½'s..............1901–1916	1,000,000	J & J	....	....	....	....	....
" E 4's.................1907–1917	1,000,000	J & D	....	....	....	....	....
" F 4's.................1908–1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
" G 4's.................1903–1918	1,000,000	F & A	....	....	....	....	....
" H 4's.................1903–1918	1,000,000	M & N	....	....	....	....	....
" I 4's.................1904–1919	1,000,000	F & A	....	....	....	....	....
" J 4's.................1904–1919	1,000,000	M & N	....	....	....	....	....
" K 4's.................1905–1920	1,000,000	J & J	....	....	....	....	....
Small bonds......................	....	......	....	....	....	....	....
INDUSTRIAL AND MFG. BONDS.							
Am. Cotton Oil deb. ext. 4½'s....1915	2,919,000	......	99⅞	Apr. 29,'04	99⅞	98⅛	20,000
Am. Hide & Lea. Co. 1st s. f. 6's...1919	7,863,000	M & S	77	Apr. 16,'04	77	77	38,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	1,750,000	M & S	85½	Apr. 19,'04	85½	85½	1,000
Am.Thread Co., 1st coll. trust 4's.1919	6,000,000	J & J	78¼	Apr. 14,'04	78¼	77½	9,000
Barney & Smith Car Co. 1st g. 6's.1942	1,000,000	J & J	105	Jan. 10,19'	....	....	....
Consol. Tobacco Co. 50 year g. 4's.1951	157,378,200	F & A	58⅞	Apr. 30,'04	60	57¾	2,000,500
" registered..................		F & A	58½	Mar. 31,'04	....	....	....
Dis. Secur. Cor. con. 1st g. 5's....1927	13,379,000	A & O	64½	Apr. 30,'04	65⅝	64	438,000
Dis. Co. of Am. coll. trust g 5's..1911	2,580,000	J & J	99	Sept. 16,'03	....	....	....
Illinois Steel Co. debenture 5's...1910	1,400,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	92	Feb. 23,'04	....	....	....
Internat'l PaperCo. 1st con.g 6's.1918	9,724,000	F & A	106⅝	Apr. 27,'04	106⅝	106	32,000
Int. Steam Pump 10 year deb. 6's.1913	2,500,000	J & J	101¾	Apr. 30,'04	102	101½	14,000
Knick'r'ker IceCo.(Chic)1st g 5's.1928	1,937,000	A & O	93	Feb. 24,'03	....	....	....
Lack. Steel Co., 1st con. g. 5's....1923	15,000,000	A & O	96½	Apr. 30,'04	96½	92⅝	65,000
Nat. Starch Mfg. Co., 1st g 6's...1920	2,924,000	J & J	90½	Apr. 23,'04	90⅛	88	6,000
Nat. Starch. Co's fd. deb. g. 5's..1925	4,137,000	J & J	66	Feb. 29,'04	....	....	....
Standard Rope & Twine 1st g. 6's.1946	2,740,000	F & A	40	Mar. 29,'04	42	40	38,000
Standard Rope & Twine inc.g.5s..1946	7,500,000	......	2	Apr. 29,'04	3	2	12,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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MISCELLANEOUS BONDS—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	APRIL SALES. *High.*	APRIL SALES. *Low.*	APRIL SALES. *Total.*
United Fruit Co., con. 5's	1911	3,794,000	M & S					
U. S. Env. Co. 1st sk. fd. g. 6's	1918	2,000,000	J & J					
U. S. Leather Co. 6% g. s. fd deb.	1915	5,280,000	M & N	112½	Apr. 27,'04	112½	112	16,000
U. S. Reduction & Refin. Co. 6's	1931			79	Aug. 12,'03			
U. S. Shipbldg. 1st & fd g. 5's Ser. A.	1932	14,500,000	J & J	28	Feb. 5,'04			
″ collat. and mge. 5's	1932	10,000,000	F & A	91	Jan. 15,'03			
U. S. Steel Corp. 10-60yr. g. sk. fd 5's	1963		M & N	76⅞	Apr. 30,'04	79⅝	75⅝	17,069,000
″ ″ ″ reg.	1963	152,902,000	M & N	75¼	Apr. 29,'04	79	74¾	28,000
BONDS OF COAL AND IRON COS.								
Col. Fuel & Iron Co. g. s. fd. g 5's.	1943	5,355,000	F & A	98⅛	Apr. 28,'04	98⅛	97	15,000
″ conv. deb. g. 5's	1911	1,818,000	F & A	73	Apr. 27,'04	73	73	20,000
″ ″ registered			F & A					
″ ″ Trust Co. certfs		12,250,000		71½	Apr. 22,'04	72¾	71	124,000
Col. C'l & I'n Dev. Co. gtd g. 5's	1909	700,000	J & J	55	Nov. 2,19'			
″ Coupons off								
Colo. Fuel Co. gen. g. 6's	1919	640,000	M & N	105	Mar. 9,'04			
Grand Riv. C'l & C'ke 1st g. 6's	1919	949,000	A & O	115	June 23,'02			
Continental Coal 1st s. f. gtd. 5's	1952	2,750,000	F & A					
Jeff. & Clearf. Coal & Ir. 1st g. 5's	1926	1,588,000	J & D	105⅛	Oct. 10,'98			
″ 2d g. 5's	1926	1,000,000	J & D	102½	Oct. 27,'03			
Kan. & Hoc. Coal & Coke 1st g. 5's	1951	3,000,000	J & J	105	Oct. 24,19'			
Pleasant Valley Coal 1st g. s. f. 5s.	1928	1,162,000	J A J	106¼	Feb. 27,'02			
Roch & Pitts. Cl & Ir. Co. pur my 5's	1946	1,064,000	M & N					
Sun. Creek Coal 1st sk. fund 6's	1912	835,000	J & D					
Tenn. Coal, Iron & R.R. gen. 5's	1951	3,000,000	J & J	99	Nov. 24,'03			
″ Tenn. div. 1st g. 6's	1917	1,182,000	A & O	106	Apr. 30,'04	106	106	2,000
″ Birmingh. div. 1st con. 6's	1917	3,637,000	J & J	105½	Apr. 30,'04	106	104	5,000
Cahaba Coal M. Co. 1st gtd. g. 6's	1922	892,000	J & D	102	Dec. 28,'03			
De Bardeleben C&I Co. gtd. g. 6's	1910	2,729,500	F & A	103¾	Apr. 21,'04	104	101½	34,000
Utah Fuel Co. 1st s. f. g. 5's	1931	580,000	M & S					
Va. Iron, Coal & Coke, 1st g. 5's	1949	6,653,000	M & S	71¼	Apr. 30,'04	72	71	28,000
GAS & ELECTRIC LIGHT CO. BONDS.								
Atlanta Gas Light Co. 1st g. 5's	1947	1,150,000	J & D					
B'klyn Union Gas Co. 1st cong. 5's	1945	14,498,000	M & N	115¼	Apr. 29,'04	115¼	113½	32,000
Buffalo Gas Co. 1st g. 5's	1947	5,900,000	A & O	65	Feb. 18,'04			
Columbus Gas Co., 1st g. 5's	1932	1,215,000	J & J	104½	Jan. 28,'98			
Detroit City Gas Co. g. 5's	1923	5,608,000	J & J	98	Apr. 19,'04	98	97¼	40,000
Detroit Gas Co. 1st con. g. 5's	1918	381,000	F & A	105	June 2,'03			
Eq. G. L. Co. of N. Y. 1st con. g. 5's	1932	3,500,000	M & S	112	Nov. 11,'03			
Gas. & Elec. of Bergen Co, c. g. 5s.	1949	1,146,000	J & D	67	Oct. 2,'01			
Gen. Elec. Co. del. g. 3½'s	1942	2,049,400	F & A	88	Feb. 2,'04			
Grand Rapids G. L. Co. 1st g. 5's	1915	1,225,000	F & A	107¾	Dec. 17,19'			
Hudson Co. Gas Co. 1st g. 5's	1949	9,180,000	M & N	104¾	Mar. 24,'04			
Kansas City Mo. Gas Co. 1st g 5's	1922	3,750,000	A & O					
Kings Co. Elec. L. & Power g. 5's	1937	2,500,000	A & O					
″ purchase money 6's	1997	5,010,000	J & J	119	Apr. 12,'04	119	119	2,000
Edison El. Ill. Bkln 1st con. g. 4's	1939	4,275,000	J & J	93¼	May 29,'03			
Lac. Gas L't Co. of St. L. 1st g. 5's	1919	10,000,000	Q F	108¼	Apr. 28,'04	108¼	106½	23,000
″ small bonds				97½	Nov. 1,'95			
Milwaukee Gas Light Co. 1st 4's	1927	6,000,000	M & N	89⅝	Apr. 29,'04	90	89	7,000
Newark Cons. Gas, con. g. 5's	1948	5,274,000	J & D					
N. Y. Gas El. H & P Co 1st col tr g 5's	1948	15,000,000	J & D	107	Apr. 29,'04	107½	107	185,000
″ registered			J & D					
″ purchase mny col tr g 4's	1949	20,927,000	F & A	91½	Apr. 29,'04	91⅝	90½	178,000
Edison El. Illu. 1st conv. g. 5's	1910	4,312,000	M & S	103⅛	Apr. 8,'04	103⅛	103	7,000
″ 1st con. g. 5's	1995	2,156,000	J & J	115¼	Apr. 5,'04	115¼	115¼	5,000
N. Y. & Qus. Elec. Lg. & P. 1st. c. g. 5's	1930	2,272,000	F & A	101	Feb. 21,'04			
N. Y. & Richmond Gas Co. 1st g. 5's	1921	1,000,000	M & N	100	Mar. 15,'04			
Paterson & Pas. G. & E. con. g. 5's	1949	3,317,000	M & S					
Peop's Gas & C. Co. C. 1st g. g 6's	1904	2,100,000	M & N	100¼	Dec. 11,'03			
″ 2d gtd. g. 6's	1904	2,500,000	J & D	100⅛	Dec. 16,'03			
″ 1st con. g 6's	1943	4,900,000	A & O	123¾	Mar. 30,'04			
″ refunding g. 5's	1947	2,500,000	M & S	103	Apr. 9,'04	103	103	1,000
″ refuding registered			M & S					
Chic. Gas Lt & Coke 1st gtd g. 5's	1937	10,000,000	J & J	107	Apr. 23,'04	108	107	8,000
Con. Gas Co. Chic. 1st gtd. g. 5's	1936	4,346,000	J & D	106½	Mar. 16,'04			
Eq. Gas & Fuel, Chic. 1st gtd. g. 6's	1905	2,000,000	J & J	101	Mar. 5,'04			
Mutual Fuel Gas Co. 1st gtd. g. 5's	1947	5,000,000	M & N	105	Apr. 27,'04	105	105	1,000
″ registered								
Syracuse Lighting Co. 1st g. 5's	1951	2,000,000	J & D					
Trenton Gas & Electric 1st g. 5's	1949	1,500,000	M & S	109	Feb. 8,'01			
Utica Elec. L. & P. 1st s. f'd g. 5's	1950	1,000,000	J & J					
Westchester Lighting Co. g. 5's	1950	5,380,000	J & D					

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE.		APRIL SALES.		
			Price.	*Date.*	*High*	*Low.*	*Total.*
TELEGRAPH AND TELEPHONE CO. BONDS.							
Am.Teleph.&Teleg.coll.trust.4's.1929	38,000,000	J & J	96½	Apr. 29,'03	....	....	....
Commercial Cable Co. 1st g. 4's.2397.	10,734,300	Q & J	100½	Apr. 8,'02	....	....	....
" registered....................		Q & J	100½	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.							
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	1,823,000	M & N	110¾	Nov.19,'03			
" registered....................		M & N					
N. Y. & N. J. Tel. gen. g 5's.......1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's...1938	8,504,000	J & J	108½	Apr. 28,'04	108½	107½	37,000
{ " fundg & real estate g.4½'s.1950	17,000,000	M & N	103¾	Apr. 29,'04	104¼	103½	96,000
{ Mutual Union Tel. s. fd. 6's....1911	1,957,000	M & N	107½	June23,'03	.	....	....
{ Northern Tel. Co. gtd fd.4½'s..1934	1,500,000	J & J	103¾	Apr. 27,'04	103¾	101¾	23,500

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

NAME *Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1904.		APRIL SALES.		
			High.	*Low.*	*High.*	*Low.*	*Total.*
United States con. 2's registered...1930	542,909,950	Q J	107¼	105½	106	105½	11,500
" con. 2's coupon............1930		Q J	106¼	105¼	....	....	......
" con. 2's reg. small bonds..1930		Q J	....	....	....	....	......
" con. 2's coupon small bds.1930		Q J	....	....	....	....	......
" 3's registered...........1908–18	77,135,300	Q F	106¾	106¾	....	....	......
" 3's coupon..............1908–18		Q F	108	106¾	107½	107	5,000
" 3's small bonds reg.....1908–18		Q F	....	....	....	....	......
" 3's small bonds coupon.1908–18		Q F	107⅛	106¼	....	....	......
" 4's registered..............1907	156,801,500	J A J&O	108¼	106¾	108¼	108¼	1,000
" 4's coupon.................1907		J A J&O	108	107	108	108	1,000
" 4's registered..............1925	118,489,900	Q F	132⅞	132⅞	132⅞	132⅞	10,000
" 4's coupon.................1925		Q F	134	132¾	....	....	......
District of Columbia 3-65's...........1924	14,224,100	F & A	....	....	....	....	......
" small bonds.....................		F & A	....	....	....	....	......
" registered......................		F & A	....	....	....	....	......
Philippine Islands land pur. 4's...1914–34	7,000,000	Q F	111¾	111¾	....	....	......
STATE SECURITIES.							
Alabama Class A 4 and 5..............1906	6,859,000	J & J	....	....	....	....	......
" " small............	....	....	....	....	....	....	......
" Class B 5's..................1906	575,000	J & J	....	....	....	....	......
" Class C 4's..................1906	962,000	J & J	....	....	....	....	......
" currency funding 4's.......1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.							
Louisiana new ocn. 4's...............1914	10,752,800	J & J	....	....	....	....	......
" " small bonds..........							
Missouri fdg. bonds due.........1894–1895	977,000	J & J	....	....	....	....	......
North Carolina con. 4's...............1910	3,397,350	J & J	102½	102	....	....	......
" small.......................		J & J			....	....	......
" 6's.........................1919	2,720,000	A & O	....	....	....	....	......
N. Carolina fundg. act bds......1866–1900	556,500	J & J	....	....	....	....	......
" " 1868–1898		A & O	....	....	....	....	......
" new bonds.............1892–1898	624,000	J & J	....	....	....	....	......
" "		A & O	....	....	....	....	......
" Chatham R. R..................	1,200,000	A & O	....	....	....	....	......
" special tax Class 1.............	....	A & O	....	....	....	....	......
" " Class 2.............	....	A & O	....	....	....	....	......
" " to Western N. C. R....	....	A & O	....	....	....	....	......
" " Western R. R..........	....	A & O	....	....	....	....	......
" " Wil. C. & Ru. R........	....	A & O	....	....	....	....	......
" " Western & Tar. R......	....	A & O	....	....	....	....	......
South Carolina 4½'s 20-40.............1933	4,392,500	J & J	....	....	....	....	......
So. Carl. 6's act. Mch. 23, 1869, non-fde.1888	5,965,000	....	....	....	....	....	......
Tennessee new settlement 3's........1913	6,681,000	J & J	96½	95¼	96½	96½	1,000
" registered........................	6,079,000	J & J	....	....	....	....	......
" small bond......................	362,200	J & J	....	....	....	....	......
" redemption 4's............1907	469,000	A & O	....	....	....	....	......
" 4½s..........................1913	1,000,000	A & O	....	....	....	....	......
" penitentiary 4½'s.........1912	600,000	A & O	....	....	....	....	......

UNITED STATES, SJATE AND FOREIGN GOVERNMENT SECURITIES—*Continued.*

Name.	Principal Due.	Amount.	Int'st paid.	Year 1904. High.	Year 1904. Low.	April Sales. High.	April Sales. Low.	April Sales. Total.
Virginia fund debt 2-3's of	1991	18,054,277	J & J	92⅛	91⅛	92⅛	92⅛	500
" registered			J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871		8,974,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871		8,716,565	....	8	7	7½	7⅛	21,000
Foreign Government Securities.								
Frankfort-on the-Main, Germany, bond loan 3½'s series 1	1901	14,776,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.								
Imperial Russian Gov. State 4% Rente		2,310,060,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.								
Quebec 5's	1908	3,000,000	M & N	....	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's		....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200		£22,162,120	......	98⅛	98⅜	98⅛	98⅛	2,000
Small bonds denominations of £20		....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.		....	......	....	....	...	....	......

BANKERS' OBITUARY RECORD.

Anderson.—Henry S. Anderson, Treasurer of the South Brooklyn Savings Bank, Brooklyn, N. Y., died April 7. He had been connected with the bank for forty-five years and Treasurer for thirteen years.

Brinckle.—Wm. R. Brinckle, Vice-President of the Security Trust and Safe Deposit Co., Wilmington, Del., died April 3, aged sixty-one years.

Campbell.—William J. Campbell, President of the Campbell National Bank, La Rue, Ohio, died March 27, aged fifty-seven years.

Ekroth.—John F. Ekroth, Cashier of the Commercial National Bank, Essex, Iowa, died March 26, aged forty-one years.

Hammond.—Col. J. W. Hammond, Cashier of the Oskaloosa (Iowa) Savings Bank, died April 11.

Hospes.—Richard Hospes, Cashier of the German Savings Institution, St. Louis, Mo., died April 13, aged sixty-six years. He entered the bank two years after it was started, and worked his way up through all the subordinate positions, becoming Cashier in 1865.

Johnson.—R. H. Johnson, President of the Marion County Bank, Marion, Ohio, and one of the oldest bankers in the State, died April 12, aged eighty-four years.

McCurdy.—Robert McCurdy, President of the First National Bank, Youngstown, Ohio, and one of the leading bankers of that State, died March 26.

Miller.—Sidney D. Miller, President of the Detroit (Mich.) Savings Bank since 1883, died at St. Augustine, Fla., April 2. Mr. Miller was born at Monroe, Mich., in 1830. He graduated from the University of Michigan at the age of eighteen, and became a successful lawyer. For twenty-three years (1868-1891) he was commissioner of police at Detroit.

Needles.—Caleb Needles, Cashier of the Charter National Bank, Media, Pa., died April 16, aged about fifty-four.

Newton.—M. B. Newton, senior member of the banking firm of Newton & Parish, New Haven, Ct., died April 9 in his fifty-eighth year.

Page.—Charles Page, Cashier of the Muscatine (Iowa) Savings Bank, died April 1 at Dallas, Tex. He had been a prominent business man at Muscatine for fifty years.

Potter.—Townsend J. Potter, Vice-President of the First National Bank, Fort Edward, N. Y., and a former member of the New York Assembly, died April 8, aged seventy-one years.

Richardson.—Robert H. Richardson, President of the Deposit Bank of Monroe County, Tompkinsville, Ky., died April 8, aged about seventy years.

Ruggles.—S. H. Ruggles, President of the Second National Bank, Circleville, Ohio, and one of the wealthiest men in the county, died April 18, aged eighty-four years.

Stuckslager.—Dr. Cyrus R. Stuckslager, President and Cashier of the People's Bank, McKeesport, Pa., died April 7. He was born in Fayette county, Pa., February 27, 1829, and in early life supported himself as a teacher. He studied medicine at the University of Nashville and in 1856 graduated from Jefferson Medical College, at Philadelphia, and for a number of years practised his profession. In 1862 he entered the Union army as a surgeon and served through the war. In 1872 he located at McKeesport, Pa., and had been Cashier of the People's Bank for thirty-one years, and for some time had also been President of the bank as well.

Wark.—John Wark a director of the Valparaiso (Ind.) National Bank, and Vice-President of the Thrift Trust Co., died March 28, aged seventy years.

Wilbar.—Joseph E. Wilbar, President of the Bristol County Savings Bank, Taunton, Mass., and a director of the Bristol County National Bank, died April 13. He was register of deeds for the Northern Bristol district, and had been a trustee of the Savings bank since 1874 and President since 1882.

Wright.—Joseph R. Wright, Cashier of the First National Bank, Hills, Minn., died March 28.

Zabriskie.—George A. Zabriskie, Assistant Cashier of the People's Bank, New York city, died April 13, at the age of fifty-five. He had been connected with the bank for thirty years.

THE

BANKERS' MAGAZINE

RHODES' JOURNAL OF BANKING and THE BANKERS' MAGAZINE Consolidated.

FIFTY-EIGHTH YEAR. JUNE, 1904. VOLUME LXVIII, NO. 6.

THE GOLD EXPORTS of the past few weeks are naturally the most conspicuous feature of the financial situation. Since the business revival of 1896 the country has been accumulating gold until the stock of gold held by the Treasury, the banks and the public became larger than ever before known in the history of the country. The products of our mines and the large trade balances of 1900 and the following years combined to swell the stock of gold. The unexampled prosperity, which continued after 1900, received its first check in the crisis of the spring and summer of 1903. Minimize the effect of this as much as possible, and yet it is impossible to deny that there are strong symptoms of a reaction which has not yet spent itself. Things are not altogether going our way as they did before. In the midst of the greatest good fortune there always are apprehensions as to the length to which favorable conditions will go. Financial history gives good grounds for these apprehensions. If all men were wise and provident, it would not be difficult to so manage that the era of good fortune would carry the nation through bad years. It is, however, a natural law that prosperity produces over-confidence, and this in turn is followed by depression.

The basis of the prosperity of the United States is agricultural. Good crops may make amends for the results of foolish or extravagant financial management, but bad seasons and poor crops aggravate the situation. The export of gold from a country is necessarily an indication that the ordinary resources of products and manufactures are not sufficient to meet the foreign indebtedness. The extent to which gold exports are now taking place cannot be accounted for by the Panama Canal payments of fifty millions of dollars. It is evident that without this there would have been large exports of gold. Some of the amounts sent abroad may be ascribed to the Japanese and Russian loans, but there is still a balance which can only be

accounted for on the assumption that the balance of trade is at least temporarily not in our favor. There is reason to suspect that a settlement is going on with foreign creditors, who have been holding back, until they could see better investment for their capital at home than could be had in the United States. The war in the East is probably giving an impulse to business in England and Europe. The demands for material and loans on the part both of Russia and Japan are no doubt being favorably felt by manufacturers and traders all over the Continent. The payments on account of Panama have evidently coincided with other settlements, of nearly equal importance. Possibly the knowledge that these payments were to be made outright, has made foreign capitalists think that they had better withdraw their capital so as to have it under nearer control.

That business has fallen off in this country is evidenced by the decrease in bank clearings and by the accumulation of cash reserves at the money centres. This has given American capitalists who have borrowed or otherwise owe money abroad the opportunity to make loans at home at less rates of interest. The Panama payments may be only coincident with these conditions, or the knowledge that this payment had to be made may have had a tendency to aggravate them. The calling in of deposits of public moneys from the banks, increased as it has been from time to time, has certainly had the effect of restricting business in many parts of the country, while at the same time it has caused great accumulation of reserves in the money centres, lowering rates of interest and encouraging the withdrawal of foreign capital.

On the whole it is difficult to avoid concluding that the manner in which this canal payment has been handled has been rather unfortunate than otherwise, and may render very critical a financial situation that might have been difficult to handle in any event. There has been an air of brusqueness on the part of the Treasury in regard to this payment, which would have perhaps been well enough were the country still moving on the high tide of prosperity, but now that fears of an ebb had begun to set in, might have been dispensed with. The richest and strongest nations never undertake payments to other nations which may deplete their reserves and injure their home business without the greatest circumspection. England, in paying the Geneva award, and France in paying the German indemnity, are examples where large transfers were made with no noticeable effect on home markets. It remained for the United States to act as if a matter of forty or fifty millions to be handed over in cash were a trifle. It could not of course be foreseen exactly what business and money market conditions in the United States would be when the payment became due. No one could forecast the exact time of the termination

of negotiations. Nevertheless arrangements might have been made which would have so distributed the payments of the actual cash that the home money markets would have received no shock.

The blame of any trouble which may arise from the depletion of the gold reserves and loss of business confidence throughout the country, belongs to Congress primarily. The Secretary of the Treasury had no other way but to obey orders and pay over the sum appropriated. The advices received from London and Paris are to the effect that financial experts there think that the payments will not have any serious effect on our money markets. This is, however, interested opinion. It has been asserted that men take a secret pleasure in the misfortunes of their friends, especially when profit results. It is not unlikely that some such principle might have weight with nations who are trade rivals.

THE HIGH RANGE OF PRICES now prevailing for grain and provisions are pleasing enough to the agricultural classes and to them indicative of continuing prosperity, but to the people in cities and elsewhere who live on salaries and wages they do not appear in the same happy light. Prior to 1900 the condition was reversed. It was the farmers who were driven by low prices for their products to the support of BRYAN, who promised to bring about a change by the sixteen to one remedy. It was the workingmen and salaried people who defeated BRYAN, because although they may not have laid much stress on the desirability of higher prices, nevertheless feared to reduce their income power by being forced to accept a cheap dollar.

In the coming campaign the chances are that the desire to keep the present advantage will induce the farmers to adhere loyally to the stand-pat policy of the Republican party, while it will be the workingmen and salary earners who will seek to better themselves by a change. But they will be mistaken in this, because the conditions which have brought high prices are extremely complex and not likely to be modified by anything that lies within the power of political parties. The truth is that the high prices are in great part due to increased consumption and decreased production. The growth of enterprises of all kinds, which followed upon the restoration of financial confidence, induced by the defeat of the cheap money party, drew large numbers of men from agricultural pursuits, and enhanced wages. The reduction of the numbers engaged in agriculture has had the effect of reducing supplies, while the class who were able to purchase them has increased. The pendulum has now swung to the other extreme, and the greater profits of agriculture, coupled with the reduced purchasing power of fixed wages, will induce many to go

back to the land. But it may take some time before the former low level of farmers' profits will again be reached. How long this may be depends upon the character of the seasons. A season which stimulated all crops and brought the highest limit of return does not occur every year. Sometimes such seasons follow each other without break. As a matter of fact the years 1902 and 1903 were below the average in this respect, and 1904 thus far seems to promise to follow in the footsteps of its two predecessors. If at the same time there comes a falling off in the demand for labor, caused by the letting down of the high range of business enterprise prevailing, it is naturally to be expected that there will gradually be formed a large class of dissatisfied people who, as is usually the case, will look for relief to some political change. There is some hope, however, when the Panama Canal construction gets under way that the great demand for machinery and material of all kinds, as well as for labor of certain kinds, will tend to supplement the normal demand and infuse more life into the situation.

Neither high prices nor low prices are in themselves signs of prosperity or the contrary. It is the general balance of supply and demand that produces the condition so much desired. When there is any dislocation of this balance, through the devotion of too great energy to one branch of industry as compared with the other lines, it brings about the condition where dissatisfaction begins to arise.

As long as men are free and uncontrolled in their choice of occupations, so long will they rush to those temporarily affording the most profit. Natural laws afford natural checks and tend under favorable conditions to maintain an average balance of occupations suitable to the wants of the whole, but departures from this are constantly occurring and though slight, as a rule, yet they are sufficient to cause the differences which are characterized as good times and bad.

Congress adjourned without taking any action on the measure which was referred to last month, reported from the Banking and Currency Committee. This is as had been anticipated. The strengthening of the gold reserve, the adoption of the definite gold standard, and the increase to par of the amount of circulation issued to National banks on Government bonds, together with the refunding of most of the bonds bearing three and four per cent. into two per cents, has so strengthened the currency system of the country that to the ordinary observer there seems but little necessity for additional legislation.

Since 1900 there has been no trouble with the currency, and during the crisis of 1903 it was apparently submitted to a very severe

test. Nevertheless, in the opinion of careful observers, it would have been well had the simple provisions of the committee's bill become law. Doubtless, if our currency had not now real elements of strength, the crisis of 1903 would have been attended with consequences similar to those of 1873 and 1893. The manner in which the banks went through the crisis of 1903 has been ascribed to the greater strength of the banks as a whole through combination and affiliation; but while this may have had something to do with it, it is believed that the soundness and abundance of the currency had more. But much of the currency strength in 1903 was then, and is now, due to the accumulation of gold in the country during the years following 1900. The proportion of gold to all forms of paper money was more than dollar for dollar. The recent outflow of gold, though of small proportions compared with the whole sum in the country, nevertheless proves how rapidly gold may leave us when the conditions for its export become favorable. There is no law or restriction of any kind that would prevent the gradual withdrawal of the whole stock in excess of the $150,000,000 reserve, supposing the balance of trade should remain against the United States for a sufficiently long time. No one expects that a condition favorable to gold exports will ever last for so long a period, but the real strength of the paper currency would be tested by a much smaller export than that assumed. The gold certificates based on deposited gold form a very important element in the elasticity of our currency, and these certificates would be the first to show a reduction.

The only other element aiding expansion is the National bank note. The bills of the National banks are dependent for their expansion on the condition of the bond market. The three million dollar per month limit on the retirement of circulation by the banks is a restriction on the mobility of bank currency in that it prevents more than three millions of bank bonds from changing hands in any one month. There may be a greater demand than this in new localities during any month, and the effect is to keep up the price of bonds suitable for bank circulation. It prevents banks that may wish to retire circulation from doing so, and it often prevents the organization of new banks in localities where circulation might be beneficially employed. If from the loss of sufficient gold to meet the requirements for money, the country had to fall back temporarily on bank notes, it might be difficult to supply the demand.

There is no doubt that modifications in the bank currency system would enable the country to have an abundance of safe money without the necessity of holding such a large quantity of gold. When the trade of the whole world is placed on a gold basis, through the universal adoption of the gold standard, it is highly probable that

there will be more difficulty in any one country retaining such a large gold reserve as is now held by the United States. It is probable that before many years China and Mexico will conform to modern methods. No one can yet predict what commercial powers may grow up in Africa and South America. The struggle for reserves may become so severe as to compel the domestic use of representative money to a much greater extent. It will be well to place the bank currency of the United States in a position where it can be safely depended upon in emergencies.

THE PERIODICITY OF PANICS was adverted to in a recent address by Hon. CHARLES G. DAWES, ex-Comptroller of the Currency. Mr. DAWES is quoted as saying that financial panics are believed to have a periodicity of about eleven years. If this be accepted, the last panic having occurred in 1893, the present year is the date of the next one.

From 1893 to 1896 the effects of the financial troubles of 1893 were severely felt. After the election of President McKINLEY the business of the country began slowly to revive, and gaining ground by degrees, culminated in the highly prosperous years 1900 to 1902. In 1903 there came the collapse of the stock market, overburdened with the masses of trust securities which the confidence gained during the four previous years from the great flow of wealth from our reviving foreign trade had enabled promoters to put upon the market. The success of early financial combinations had brought the general public to the belief that there was no limit to the success that might follow the manipulation of huge aggregations of wealth. Some of the great capitalists of the country, finding themselves with almost unlimited means of securing credit, turned their attention to securing the control of great railway systems, and this form of grand finance culminated in the attempted merger by means of the Northern Securities Company of the two most northerly Pacific trunk lines, together with the Burlington and Quincy. The suits brought by the State of Minnesota and the United States Government to test the legality of these attempted mergers caused a stop to be made. This was soon followed by the failure of the ship-building trust. Then followed the stock panic of 1903. This did not immediately affect the general business of the country; reliance was placed on the crops of the year to make good the losses from over-speculation. The season was, however, less favorable than was expected and in fact the situation was only saved and confidence again restored by the lucky rise in the price of cotton and the large foreign trade balance derived from the export of this staple, aided by exports of manufactures.

In fact, 1903, without any actual financial catastrophe of general

scope, was a panicky year, and in all respects there was a distinct falling off from the high tide of prosperity of previous years. There was not, however, the same danger from the currency that in 1893 aggravated the other unfortunate conditions, and the Government revenues did not fall off in 1903 as they did in 1893. If to the lack of confidence inspired by the reckless speculative combinations of 1903 there had been added an unsound currency and a rapid decline of Government receipts, the panic of 1903 would undoubtedly have been much worse than it was and possibly even as bad as that of the one ten years before.

The periodicity of panics is not one that is essentially wedded to any regular lapse of time. It consists in the cycle through which the mind of the trading community travels, from the deepest depression to the most wonderful overconfidence. In travelling this cycle commercial opinion may move sometimes more rapidly, and sometimes more slowly, and the time taken may be five years or ten, according to the intensity of the transactions involved. It is believed, however, that in this instance the limit of confidence was reached last year, and that for many reasons the fall to lower levels was less violent than it sometimes is, than it was in fact in 1893. The let-down was so comparatively easy that it is perhaps for that reason difficult to recognize it as an actual panic. There are signs that already the business world is beginning to recover from such shock as the disappointments of 1903 gave it. While the cycle through which the mind of the business community revolves from depression to the limit of confidence is the same, the speed of the revolution may be hastened or retarded in any part by extraneous circumstances. The bad harvest of 1902 no doubt repressed some extravagances that an addition to the trade balance of that year would have encouraged; other causes also combined to bring about an easy collapse in 1903, that if postponed a year might have given a harder shock.

THE WAR BETWEEN RUSSIA AND JAPAN has not yet reached a decisive state, although startling news may be expected at any moment. The advance of the season will soon make land operations easier. The preliminary success of the Japanese leaves them almost free to land their armies where they choose and the control of water transportation enables them to provide supplies and material. Their opponents also are strong on land, and both sides being supplied with modern weapons, makes many of the conditions of the contest such that no safe prediction can be made as to the result.

It is undeniable that great anxiety is felt as to the extent to which other nations may become involved in this quarrel. Whichever side

is successful, the danger that other nations may be drawn in becomes imminent when the victors seek to reap the fruits of victory. It is difficult for a nation flushed with success to show moderation. The temptation assumes pre-eminence over the mercantile destinies of the East, and will if yielded to arouse the jealousy of the commercial nations. The spirit of war, once well under way, is apt to be contagious. The world has witnessed in its history periods of irregular continuance when peace and war have alternated. There is no reason to believe that the general human character has so changed as to preclude similar experiences in the future. The great national debts are a constant reminder of past wars. For over thirty years there has been a period of peace during which no great nation has been engaged in a struggle with an equal antagonist. There have been several small wars, and what might be styled police wars have been carried on now in this distant quarter, now in that. But there has been no war like that now raging between Russia and Japan.

What would be the effect upon the invested capital which has been accumulated during this period of peace if the spirit of war should involve the great commercial nations? The first effect on the nations would be a diminution of their credit, shown by an increase in the rate of interest on government loans. A nation long at peace, no matter what its debt, soon adjusts its revenues and expenditures, and has a chance of lessening its burdens by reducing the principal and interest of its indebtedness. This increase of government credit is not advantageous to the holder of the government obligations. Incomes from such investments diminish. The greatest profits on government loans have always been made in time of war, when the lender could compensate himself for his risk by demanding greater rates. The countries that pay a fixed rate of interest find their securties taken below par. Those that sell at par only, like the United States, find themselves compelled to raise the rate of interest paid.

It is believed, if the spirit of war should involve many of the commercial nations, that governments will find it more difficult to borrow than they formerly did, notwithstanding the great confidence that has been justified by the experience of the last two centuries with public debts. There are to-day so many forms of investment other than governments, that the latter would not have the same monopoly of the investing public they once possessed.

Whatever the temptation to war, there is reason to believe that the commercial spirit, the desire to make and safely invest money which has been especially characteristic of the last century, and the wealth which has already been accumulated, have a great effect in deterring nations from wars in which their financial status will be seriously risked. Both Russia and Japan have more lately emerged

from a lower degree of civilization than most of the European nations and the United States. They are inclined to risk more than they would had they accumulated greater wealth. It is just this condition that makes them more of a threat to other nations should success give them inordinate confidence in their military power. And in this direction lies the danger that other nations may feel it necessary to combine to compel them to show moderation in success.

THE DECLINE IN BANK CLEARINGS throughout the country has attracted attention. For the period since January 2 of the present year there has been a greater falling off from the figures of the same period for 1903 than there was between the figures of this period for 1903 and the same time in 1902.

There is no better indication of the amount of business being done in the country than the bank clearings. Coincident with this is the cheapness of money at the money centres, showing that as well as a reduction in check transactions throughout the country there is also a lessened demand for cash. The piling up of the reserves of the money centres is the usual accompaniment of the decline in business activity in the country at large. This happening at this time may or not be an indication that a period of diminished business activity has set in. There are some unusual causes that may have an influence in bringing about present conditions. One is the calling of the deposits of public money to enable the Treasury to effectuate some extraordinary payments. This would bring some increase in the cash at the money centres. The offers of the Japanese and Russian loans may also have had some influence. Above all these, however, is perhaps the backwardness of the season and the holding back of many enterprises that require a promise of fair weather conditions. Last, and perhaps most important of all, are the high prices now quoted for most all kinds of materials and the postponement of undertakings until there is a break in this respect. The slow opening of navigation on the lakes due to weather conditions and to the contest between the Lake Carriers' Association and the union of the masters and pilots may be having some effect.

Some of these causes for reduced activity may be of only temporary effect; others are of a more permanent nature. The weather may soon make amends for its past faults. Strikes may be settled, the cash and currency will be again available when it has performed its part in making the payments and satisfying the negotiations for loans. The permanent block to many enterprises is the high range of prices.

That there has been some check to the high tide of prosperity of

the last few years must be allowed. Nevertheless there is good reason for thinking that the check is apt to prove temporary and that the rest of the year may witness a strong reaction towards prosperous conditions. Whether the present slackened pace of trade shall prove temporary or otherwise, the country will perhaps be none the worse for a period of less strenuous effort. It is just as well, if there is to be a reaction of any importance, that it should occur in the year of the presidential election, which will be an excuse or palliative that will be accepted as sufficient reason, even if it is not absolutely the true one.

Although there has been a falling off in clearings, the aggregate of business shown is still enormous; and while the diminution may be noticeable, it forms a very small per cent. of the whole. The country can get along very well with the business it is doing, although there has been some falling off from the high tide of the two previous years. There is nothing in the situation that as yet calls for any serious lamentation. The crises of 1873 and 1893 were followed by long periods of inaction during which the confidence necessary to new enterprise seemed to be entirely destroyed. One special feature of both these crises was the unsound condition of the currency. In 1873 the country was dependent upon the greenback, and the state of public opinion as to the redemption of this Government promise in coin was very much divided. Parties were almost equally balanced on the question of returning to a coin standard. The contest raged from 1874 to 1879, when the date for the enforcement of the specie resumption law was to arrive. At any time from 1875 to 1878 the fiat money advocates were not far from triumphing. All capitalists were in a state of the greatest uncertainty. But when resumption day arrived, and the question was settled, there came an immediate revival which gained all the more sudden headway because of the long previous waiting. The crisis of 1893 can be traced to the revival of the fiat heresies under the insidious disguise of the silver dollar. Whatever the business excesses and indiscretions which made a favorable environment for the development of the crisis, it was the fear of settlements in depreciated silver that was its immediate cause. The long period which was required to recover from the panic of 1893 was due to the uncertainty that still remained as to whether the forces militating against sound money and the gold standard would prevail or not. How near they came to doing so in 1896 is not even yet fully realized. It took nearly four years, even after an Administration pledged to sound money was in power, to reassure capitalists, and the full tide of prosperity did not set in until after a second defeat of BRYAN in 1900. The crisis of last year was undoubtedly deprived of its worst effects by the fact that there was no doubt about the monetary standard of the country. The business conditions preliminary

to the crisis of 1903 were undoubtedly equally as bad, if not worse, than those preceding the panic of 1893. If the condition of the currency had been the same in 1903 and 1893, there would have been no recovery from the last panic in the time which has now elapsed. That the shock of the 1903 crisis was so easily withstood is due to the good currency. But that the business of the country has suffered and has not yet fully recovered is what could not have been expected to be otherwise.

Both Japan and Russia have found it necessary to appeal to the money markets of the world for loans and neither of them has been denied. The Russians have been able to obtain better terms than the Japanese, notwithstanding the fact that the latter had the greater preliminary success in both naval and land operations. This success is, as yet, by no means decisive, and has, in fact, been followed by some reverses. The war being conducted in both cases at a distance from the centers of population and wealth of the respective nations, does not necessarily reduce to any great extent their producing power in an industrial sense.

The capitalists who subscribe to national loans at the present time have a greater confidence in the staying power of nations, financially, than those of former times. When national debts were new, their rapid increase was looked upon with what turned out to be, in most cases, unfounded apprehension. Again and again the debt of Great Britain was, as it gradually mounted up, the subject of pessimistic prophecies. But the wealth of the great borrowing nations has increased out of all proportion to their national debts, and the burdens alleged to be crushing in various stages of their accumulation have proved to be bearable, and by many economists are held to be even conservative of the productive energies of a people.

With the example not only of European nations and the United States, increasing in governmental credit until the interest rate has been reduced to a very low point, it is not astonishing that capitalists who study national and international financial conditions are willing to invest in the securities of countries like Japan and Russia that are still in the early stages of industrial and productive development. The national resources of both are in the incipient stage. In the case of Russia, natural resources are known to be almost incalculable. With good government and the incentive to industry and enterprise on the part of her population, there is a possibility of an increase of wealth that surpasses that of almost any part of the world. In the case of Japan the home territory is circumscribed as well as the population. But the intelligence of her people shown in the grasp of modern

methods, and their contentment, as yet to be directed by their governing powers, give them an advantage that is very obvious. In entering on this war as well as the previous war with China, Japan is in reality seeking to provide room enough for the exercise of the energies and intelligence of her population. There is no lack of possibility that by her success in holding the coasts of Manchuria and the consequent influence upon the future destinies of China, that Japan may become as powerful and capable of the production of wealth upon the eastern side of the Eastern Hemisphere as Great Britain has become upon the western.

The history of national debts proves the fact that the time for the capitalist to invest is when the nation is yet in the process of working out its destiny. The profit in loaning to governments is not by any means in the plain rate of interest. It consists in the subsequent appreciation of the principal of the loan as the nation gradually or otherwise betters its condition. Although the old notion that a national debt is a national blessing may not be true in the narrow sense, yet it is in a degree, and with proper qualification that the borrowing of money by governments for necessary wars is to be regarded as a wise investment. Such wars come under the category of internal improvements. Of course, nations like individuals often make mistakes and do not find their outlay properly remunerative.

In the case of Japan, at the present time, success in holding the seacoast of Manchuria, with the consequences which may flow from it, will give an outlet which will employ the surplus energy of her people in a very profitable way.

The superiority of the credit of Russia in placing her loan is what might have been expected from the situation. The glamour of her great strength as a military power has not yet been affected by Japanese success. It is still, undoubtedly, believed very largely that she was taken by surprise, and that in the long run she may be able to retrieve the early losses. The faith in the great land power of Russia is still strong. In many campaigns in former wars the Russians have shown the same unpreparedness, and though badly defeated at first, they have often won by the mere weight of numbers. Moreover, the great national resources of the empire can hardly be interfered with by the Japanese. If the worst should come to the worst, if the Japanese drive them from the seacoast of Manchuria and keep them away, the Russians can still go on and develop their vast territory without interference. It is difficult to believe that they will keep up perpetual war regardless of cost in order to eventually crush the Japanese. Peace will come within a reasonable time, even if it is only to give the opportunity for recuperating for a new struggle.

CO-OPERATION AMONG BANKS.

The consolidation of banking interests is attracting attention at the present time, and much importance is ascribed to it, and great results are often predicted. It is noticeable, however, that taking the country as a whole the organization of new banks goes on without cessation. The consolidations are generally in the larger cities.

The great strength of the banking system of the United States is due to a variety of causes, which may be summed up in the general law of adaptation to environment. The tendency to free and independent banking is just as strong to-day as it ever was, although with the experience gained from recurring financial crises, the weakness of such a system is better understood and with this understanding the jealousies and rivalries which were so evident in earlier days are more easily laid aside, at least temporarily, to meet common dangers.

The first step towards mutual support was taken when clearing-houses were established. At first these were to be found only in the larger cities, now they are an important factor in every part of the country. As a matter of fact the function which clearing-houses now perform in encouraging mutual support was not by any means thought of when the first clearing-house was formed. It has been developed as necessity pointed the way. Nor has the spirit of mutual help stopped with the banks which belong to the clearing-houses. The good effects of standing together in emergencies, as shown by the clearing-house banks, has affected the minds of all bankers, and a spirit of mutual helpfulness has developed among all banks whether they belong to clearing-houses or not.

But there have been other causes to encourage a drawing together into a sort of community of all banking interests at times when unusual financial conditions arise. Part of these are due to legislation and a still larger part to the absence, or as some may think the deficiency, of legislation. The National Banking Law, and the organization of banks all over the land, regardless of State lines, gave an impulse toward unity of feeling that did not before exist. This bond was perhaps a sentimental one only. Be that as it may, the sentiment was strong enough first to bring about an attempt to form an association of National banks, which was unsuccessful, but which subsequently in 1875 and 1876 led to the formation of the American Bankers' Association, consisting of all classes of banks and banking firms. The work of this association has often been underestimated, and in truth it has been largely in a sphere above the ordinary interests of the individual bank. This work has to-day practical features which at once attract the attention of even the narrowest-minded banker. Originally, however, it was from necessity confined to overcoming the spirit of jealousy and inveterate competitive hostility so characteristic of early banking when bankers sought to undermine and ruin each other regardless of the common interest; when delight at the overthrow or downfall of a rival amply compensated for serious losses which might have been avoided by a friendly spirit.

The greater personal acquaintance which the association brought about by its conventions resulted in an improvement of methods of business, and a more intimate knowledge of mutual strength. This effect of the work of the American Bankers' Association was tacitly, if not openly, recognized by bankers even where there seemed on the surface hostility to it, as is evidenced by the organization in all the States of similar associations working within State lines.

The growth of this spirit of association and mutual good feeling has had a greater effect than will perhaps be admitted, in the increase in the number of clearing-houses. No doubt the use of clearing-house machinery would have increased without the assistance of the bankers' associations, but it will probably not be denied that the friendly spirit among bankers, the recognition of a fraternal bond which has gradually been fostered into strength by the work of the associations, has vastly aided in encouraging the wider use of clearing house machinery. All the country banks to-day, though belonging to no clearing-house, use methods of business among themselves analogous to those of the clearing-house, and thus transact business with a less proportion of cash than would otherwise be the case. The great use of checks which has developed in all quarters can be justly ascribed in large part to the ameliorating effect of the work of the associations upon the harsher features of a system of independent bank competition. No doubt, too, the recognition of a common and mutual interest among all banks has paved the way for consolidation where the business seemed to require it either in the interest of greater economy or larger transactions.

If the narrow prejudices apt to be encouraged by an extreme development of independent banking had been unchecked by the influences referred to, many institutions would perhaps have allowed themselves to be ruined rather than to have united with rivals.

This growth of recognition of the necessity of a mutual inter-dependence so that the united strength of all might be available in emergencies, has gone on without legislation and has perhaps been the greater because of this lack. It may be doubted whether the banks could have been forced by outside pressure into the friendly attitude they now hold toward each other in the larger phases of business. Congress might perhaps have attempted to unify the National banking system by imposing restrictions aimed at this result in exchange for greater privileges. It is problematical whether the attempt would have succeeded even with the National banks. Certainly it would have aroused the hostility of all other banking interests. This is measurably shown by the opposition which at once manifested itself to the branch bank proposition. Branch banking would no doubt have united the National banks in a very close union, but it would have broken up the good feeling which exists at present between them and other banks.

Therefore, it seems fair to conclude that the apparent apathy of legislatures, Federal and State, toward banking legislation of a special character, has allowed a more natural growth of the elements tending to mutual support in a system of independent banks. The consolidation of one or more independent banks to form one larger institution is merely an indication that without special legislation the principles which underlie the American system of free banking are sufficiently flexible to permit an adaptation to business requirements as they change or enlarge. That of late many of these consoli-

dations have taken place is, when the circumstances are examined, no serious threat that the free and independent bank, which in general has been found so efficient in developing the resources of the country, is to be replaced by a smaller number of larger institutions. The small banks increase in number faster than the consolidations. The latter are purely a new development of the independent system, required in certain localities where there is great concentration of wealth. When so many other lines of business have been driven to combination and concentration in order to maintain themselves, it is likely that the banking business would be influenced by the example, if the competition had been found as disastrous in the banking business as in other lines. Though bankers often complain of competition, yet its evils have evidently not been serious enough to incite any general action in the direction of combination. Even the consolidations which have been made cannot be said to have been caused by a desire to avoid competition primarily. There is sufficient motive for them in the desire to secure the larger capital and resources necessary to deal successfully with and furnish facilities to great business interests requiring more banking power than the ordinary run. Great business and great banks both alike attract more attention than is their due, when it is considered how small a proportion they bear to the great aggregate made up of small lines of business and small banks.

It is not likely that our small banks are to disappear in a general rush for amalgamation. Nor has the influence of such consolidation as has occurred among banks been so great in increasing the strength of our system. This growing abilty to extend aid to each other in crises has been due to other causes, and will continue whether consolidation goes on or not. The independent banks of the American system are aware of their advantages as money makers; they are also becoming more and more aware of their weakness in emergencies. To counteract this they have been and are still cultivating a spirit of mutual assistance. The big institutions formed by the consolidations contribute according to their strength; but so do all the others, each according to its strength.

THE BRITISH SAVINGS BANKS.—There was an interesting discussion on March 15 in the British Parliament over the proposal to vote £197,677 to make good deficiencies on the income accounts of the funds for trustee Savings banks, friendly societies, and Post Office Savings banks. A select committee appointed to consider the matter had reported in favor of reducing the rate of interest on deposits from $2\frac{1}{4}$ to $2\frac{1}{8}$ per cent. It seems, however, that the marked decline in consols—the funds in which deposits are chiefly invested—has resulted in a modification of the views expressed by the committee, and the increased yield from consols probably renders it unnecessary to reduce the rate of interest to depositors at present.

In the course of the discussion, Sir Michael Hicks-Beach, former Chancellor of the Exchequer, said that while no doubt the majority of the depositors in Savings banks consisted of the very classes for whom the Savings banks were intended by Mr. Gladstone, and that these banks were doing a most valuable work in the promotion of thrift, these banks, and especially the trustee Savings banks, were also used as a mere means of investment by not a few persons who were perfectly capable of looking after their own affairs and of selecting the best investments, persons who had long practiced thrift.

Although several members of the House vigorously objected to taxing the public for the benefit of the Savings bank depositors, the vote on the estimate was agreed to and progress reported.

OUR DEMOCRATIC BANKING SYSTEM AND ITS NATURAL ALLY THE CLEARING-HOUSE.

That our currency and banking system needs some improvements and changes is shown by the necessity which now exists of employing makeshifts from time to time to avert trouble, and if such temporary helps cannot be had, then the trouble comes. For instance, the Treasury of the United States being liable to large demands from the appropriations of Congress, at times accumulates a large surplus in coin. Such accumulations by the Government are withdrawn from the cash reserves of the banks, and as they have no credit currency to take their place or with which to protect their reserves, the banks are obliged to curtail their accommodations to business men, who therefore urge the Secretary of the Treasury to redeposit his accumulations in the banks. The temporary need is thus relieved, but the Government deposits are permanent, and when the active period of business is over and the money is returned by the public to the banks, a great plethora ensues. This induces cities, corporations and foreign States, who are watching for a favorable opportunity, to borrow in our market largely. Soon afterwards our Government happens to require money to pay for the Panama Canal and for other appropriations, greatly in excess of current income, as has occurred this May, 1904. The Secretary, therefore, is obliged to call on the banks to return his deposits. The true condition of the banks is then revealed, the surplus reserve diminishes, the plethora of money is shown to have been to some extent fictitious, credits are reduced, and the financial community finds itself overinvested. The result is a state of depression, and everyone wonders what has caused it.

This is only one of a series of similar experiences under varying circumstances.

The true solution of the difficulty is that our banks should have a sound credit currency to meet the temporary needs of business in the fall and at other times, and one which would disappear or, to use a technical word, contract, when the demand is over and money becomes easy. The Government then would have retained its cash, and been in funds to meet the Panama and other payments without disturbing the banks, and our business men would not have been deceived into making engagements beyond their ability. Thus plethoras and stringencies would be avoided.

Before making changes in an existing edifice, prudence requires us to make a survey and examination of it, so that we may be sure that any changes made shall be in harmony with the original plans, and shall rest upon the same foundations. Some general description and some reference to the historical development of our banking system are therefore necessary before making suggestions of methods by which present defects may be remedied.

I.

The system of banking in the United States is democratic, but it did not become so without a struggle.

THEODORE GILMAN

The political history of our country, during the first fifty years of its existence after the adoption of the present Constitution, is a record of the contest over the banking question which terminated in the establishment of the present democratic system. The outline facts of this history, if rightly interpreted, should enable us to understand rightly our present situation, and should suggest the appropriate methods by which the situation may be improved. The word "democratic" is used, not in a political or party sense, but as describing a method of control of, by, or for the people.

The first great political controversy which agitated the newly-formed nation centered on the advisability of establishing a National bank, and the constitutional power to grant it a charter. When that question was decided in the affirmative, the character of legislation and of society in the United States was fixed on an aristocratic basis for approximately fifty years. The aristocratic element thus captured the newly-formed Government in the reaction against the anarchy of the Confederation which preceded it.

Special charters for banks became the order of the day. They were indicative of the prevailing methods of legislation and business, and the people saw with dismay that "a system of monopoly overshadowed the land and threatened to subvert the liberties of the people."* A special charter is a favor received from the sovereign power, and is given with the intention of granting to the recipients special privileges which are not granted to the people generally. Grants of this kind are entirely inconsistent with the idea of democracy, such as was cherished by those who carried on the Revolution.

It was galling to many that, after the contest of the Revolution when the proclamation of human equality reverberated from one end of the land to the other, there should immediately be set up a Government which seemed to be actuated by precisely the opposite principles.

It is evident now, as we examine the fanciful theories which were then advocated by the anti-Federalists, that the people as a mass, by and large, were not fully qualified to assume in a conservative way the discharge of the responsibilities of self-government. R. McKinley Ormsby, in his history of the Whig Party (1860), says: "At the outset of our Government, Mr. Jefferson made many suggestions as to the measures of domestic policy, which time and experience showed to be impracticable or not profitable. In fact, he lived to acknowledge his mistakes as to many measures; but no one, on account of this, thought any the less of his wisdom or patriotism." The tutelage of the people under aristocratic masters for half a century prepared them for the assumption of the duties of electors. The spirit of republicanism and democracy was growing and a true conception of the dignity and responsibility of the franchise was forming among the people during all those years of preparation.

The kernel of republicanism was not dead; it was encased in the protecting shell of aristocratic guardianship, and when it was ready, it burst the shell which fell off and disappeared, because its work of protecting the growing life was ended. All life needs a protecting envelope at its inception. The shell is of no value when the seed begins to grow, and sends its roots down into the earth and its branches into the air.

The people did not fully take the Government of the United States into

* Hon. Ely Moore, in House of Representatives, May 15, 1836.

their hands until fifty years had elapsed after the adoption of the Constitution. The end of the period of tutelage and of the dominance of aristocratic measures of Government was marked by the destruction of the greatest aristocratic establishment in the country, the Bank of the United States, and the establishment of the free banking system in the State of New York, which was the model of all our subsequent banking legislation. These two events marked the complete and final abandonment of aristocratic methods of legislation and business. Up to that year, 1838, this country was virtually an aristocracy. Since then it has been a republic and a democracy. There was a transformation at that time, and while we can say that the system of banking in the United States is now democratic, we should add, to be historically correct, that it has been so only since 1838. By the recognition of this revolutionary period in our internal affairs, we can understand and see that we have reached our present stage of development by a struggle in which the fiercest animosities were engendered, and in which were put forth some of the most brilliant forensic efforts which have ever graced legislative annals.

The eloquence and powerful influence of Webster, Clay and others, was thrown without reserve in favor of the United States Bank, but that institution, with its concentrated money power added to this great political support, was not able to muster enough votes to overbalance the assaults of the people under the lead of Jackson.

The destruction by Andrew Jackson of the aristocratic system, accomplished by the overthrow of the Bank, "called down upon him the vindictive hatred of a moneyed aristocracy." His supporters, on the other hand, hailed him as "the protector of the poor man's rights, the restorer of the true principles of the Constitution, and the preserver of the liberties of the country."* The bank and nullification were both the objects of his opposition and the subjects of his triumph.

II.

To make our banking system democratic, it was necessary not only to destroy the monopolistic system, but to erect in its place one truly democratic.

If we examine the record of the campaign which resulted in the enactment of the New York free banking law, we find it was a contest of the people against the large financial interests of that time. We have almost forgotten that there was a struggle over what now seems to us a self-evident proposition. We are indebted for our political liberties to those who fought in the Revolution to establish this Government; we are indebted for our united country to those who poured out blood and money freely in the Civil War to maintain it, and we are indebted for the establishment of the principle that in a democracy all laws should be general to those who, inspired by libberty, kept up a long legislative fight until the first general banking law was placed on our statute books.

The creation of our democratic banking system was orderly, in that it was the logical development of the democratic principles laid down at the beginnings of our Government. But though logic is orderly, it is also controversial, and the controversy over the banking question was long and virulent. On the one side were the people who demanded perfect freedom and equality to engage in banking under the provisions of a general law. They demanded

* David Henshaw, 1831.

a cessation of special privileges, and the opening of banking to all citizens who should conform to the requirements of the law. On the other side there was determined opposition to free banking on the part of the banks already established who had special charters.

In the New York "Evening Post," from January to April, 1838, there is a partial record of the contest in the Legislature of New York over this question. In the issue of April 14, 1838, we read: "A general banking law is earnestly called for by a long line of business towns from New York to Buffalo. In this city (New York) it is demanded by almost the entire community. Bitter will be the mortification and deep the shame which the Democratic Party will feel if a (State) Senate, professing to be democratic, shall adjourn without doing anything to abolish the odious and mischievous distinctions which exist between the chartered bankers and the rest of the community."

In the leading editorial of April 21, 1838, three days after the passage of the law, the "Evening Post" said: "Against a return to the practice of banking by special charters, it (this law) puts up a barrier which we trust will never be removed while the republic lasts. It was framed in a Whig House of Assembly. We hail it as the introduction of a better system, more friendly to liberty, to morals, and to that state of things which affords steady, certain and equal rewards to human industry."

It took the people of the United States fifty years to arrive at the conclusion that all banking laws should be general, or rather it took the tree of liberty fifty years to bear that fruit. This great banking reform arose among the people and the specially chartered banks were its opponents.

III.

It has been said before the Committee on Banking and Currency of the House of Representatives by two of the experts called there to testify, that the United States has the worst banking system in the world. But is it the worst, since it was established by a victory of the people over the privileged classes? Is it not the best, since it provides that the business of banking shall be free and open to all the citizens of the United States on equal terms? In what other nation can be found another free banking law? Where have the people ever won such a victory as this? We have had since 1838, by the grace of God and the votes of the people, a democratic system, and we must give all honor for this victory to those who fought out the legislative campaigns which resulted in its establishment.

With this knowledge of the controversy which resulted in giving free democratic banking to this country, it is little short of amazing that any supporters should be found to a movement to re-establish branch banking in this country. After having laboriously secured free banking over sixty years ago, it is preposterous to think that the people of the United States have so far forgotten the history of their institutions as to yield the fruits of one of their most important victories at the request of those who consider branch banking the most money-making proposition before the American business community, and who desire to avail themselves of that golden opportunity. If we should adopt that system it would involve the abandonment of our present democratic ideals and the readoption of those aristocratic methods which Jackson overthrew with the help of a majority of the people who were behind him.

The free and independent local banker is a power the extent and value of whose services to develop and foster local interests can hardly be overestimated. While we have the independent local banker, our political institutions are safe. The Anglo-Saxon initiative will be preserved, and when that is lost then we will have commenced the era of degeneracy which has been the fate of all republics that have allowed the growth of capitalistic control to sap their strength and vitality. The union of the purse and the sword is not to be avoided more than the concentration of the purse in the hands of a few.

IV.

The free banking system of New York was adopted in many States before 1863, and in that year, under Secretary Chase, it was applied to the nation, and thus the banking system of the United States became democratic. In this larger field of application, it again met the determined opposition of banking interests already in existence. The principle that it was within the constitutional power of Congress to charter a National bank had been established by the arguments of Alexander Hamilton, the first Secretary of the Treasury. What was an aristocratic measure under Hamilton became democratic under Chase, the constitutional argument being the same. The National Bank Act was intended not only to make a market for Government bonds, but to form a uniform system under a general law whose benefits could be participated in by all sections of the country equally. The whole trend of banking legislation by Congress has been to popularize National banking. There has been a continual tendency, ever since the inauguration of the system in 1863, to enlarge its area and to give to smaller localities its benefits. This is shown in the constant diminution of the average capital of National banks. In 1865 the average capital of the 1513 banks then in existence was approximately $260,000, and in 1899 that of the 3602 banks was $168,400. By the act of March 14, 1900, the limit of capital was reduced to $25,000, and other provisions were made more liberal. This act has given a great impetus to the formation of banks of moderate capital. Since the passage of that act, and up to May 1, 1904, the report of the Comptroller of the Currency shows that 1296 small banks have been organized with an average capital of $26,000, and 680 with an approximate average capital of $118,870. The average capital of all National banks on September 9, 1903, being 5042 banks, was approximately $149,400. Thus the average capital has declined from $260,000 in 1865 to less than $149,400 in 1903, with a constantly decreasing tendency. This is evidence of the intention of Congress to popularize National banking in response to a popular demand for the extension of the benefits of the law to a constantly increasing area.

It cannot be supposed, however, that Congress is concerned only with creating small banks. Does not the obligation necessarily follow that Congress shall protect the banks which it creates? To invite and encourage the people to form small banks, and then leave them in the hour of trial exposed to competition, at a great disadvantage, with larger institutions, and without support or defence adequate to the emergency of financial disturbances, is certainly not a full discharge of the responsibilities of Congress.

V.

The chief argument against an independent democratic system of banking is that there is no power back of it to give it support in time of trouble and that it does not work smoothly even in ordinary periods of active business. It must be conceded that our experience with free banking in 1857, 1873 and 1893, and at other times of lesser disturbance, has shown this criticism to have an undeniable foundation in fact. This, however, is an argument not to abandon democratic banking, but to add to it whatever is necessary to meet this deficiency and remedy this defect. The criticism is that at such a time of financial trouble or business activity every individual bank must take care of itself, and this is done at the expense of other banks or of its customers. A prominent banker in the West has truly said that the rule in monetary commotions is, every bank for itself and the devil (or Receiver, which is about the same thing) take the hindmost. This is evidently a barbarous rule and should not be allowed to govern in a civilized community. It is also a foolish rule and one not worthy of men of intelligence. It is an acknowledgment that the system is not strong enough to bear the strain to which it is liable to be subjected, and when such a strain arrives it must be expected that the system will break down and then will come a time of anarchy, of fighting for life with a greater or less degree of loss and damage.

The question then arises, What can be done to make our democratic system of banking so strong that it can meet the demands of the business public at all times and stand any strain that can be put upon it? What measure can be adopted by Congress which will make it entirely safe for any one to organize a bank, small or large, under the regulations of the National Bank Act and not fear any panic if all the requirements of the law are strictly complied with? This question is put always with one proviso, that the independent democratic system of banking must not be disturbed. What has been gained at the expense of so much contention and discussion must not be lost. The free and independent bank must be preserved. That can go down only when our form of government is abandoned.

VI.

It is evident when one examines the banking systems of the world, that that they are of two kinds—those that have a credit currency, for example, France and Germany, and those that have not, of which the most conspicuous are England and the United States. It is further to be noticed that the countries with a credit currency do not have panics or violent fluctuations of interest rates, whilst those without, are so afflicted. It is easy to conclude that it behooves us, as an intelligent people, to establish a system of credit currency as an adjunct to our banking system in order that it may be as efficient in serving the people as that of any other nation.

Our experience in the evolution of banking indicates what must be rejected as well as what must be included in any proposals for which general acceptance is desired. The credit currency should first be undoubted, and then all sections of the country and every independent local bank, whether large or small, city or country, should have access to it in case of need. The law authorizing such issues should not discriminate either in favor of or against either small or large banks. To a small locality a small bank is relatively as

large as a large bank in a large locality. It is also just as necessary to the welfare and happiness and comfort and prosperity of the inhabitants of a small place as the large bank is to the same aspirations of the citizens of a metropolis. Around the small place are the farmers and planters to whom the facilities of a bank are of first importance in the seeding, cultivating, harvesting and selling of their crops. These facilities are as essential to them as the facilities of large banks are to the enormous transactions which take place in a large financial center. In a democracy this can only be accomplished by a general law.

VII.

We thus have the problem stated to us, and the question is, How can it be solved?

The answer is that it has already been solved for us. No experiments need be tried. It is only necessary to take as guides the methods adopted by the most experienced financiers of the world, in our country and abroad, and apply them in a democratic way to our case.

The first of these principles is that the function of issuing currency should be separated from the operations of popular banks and concentrated in as few hands as possible. This is the rule in France and Germany and in all countries with successful credit currencies.

The second is that every issue of currency should be secured by ample, approved, selected collaterals, such as banks are limited to by law, lodged in the hands of a trustee of the highest character. This is the rule established by the New York law of 1838 and followed by the National Bank Act.

The third is that every note issued shall be accepted at par by all banks for all debts due them. This is the provision in the National Bank Act regarding National bank notes and prevails in all countries with credit currencies.

If these three principles can be observed, the experience of other nations proves that a method of issuing bank currency will be established which will be safe and orderly and able to withstand any shock to credit from any source, including war, commercial disasters, and even the failure of the Government to maintain its credit.

The first two principles can be carried into effect in our country by constituting clearing-houses the agents for the issue of currency and the trustees for the custody of collateral thereto, with a five per cent. redemption fund. Thus the best talent and the most conservative judgment in the financial communities would be secured to perform this function and supervise this business.

The third proviso, that all banks should receive the currency so issued at par for all debts due them, follows as a matter of course, and is in accordance with the customs which now prevail among clearing-houses.

If these three principles were carried into effect by the enactment of a Federal law incorporating clearing-houses for that purpose,* it would only be giving the sanction of law to the methods which have been successfully practiced by clearing-houses in our commercial centers for forty years. Is there any experiment in doing that which has been done without loss and with great though limited benefit for forty years?

*Such a bill was introduced in the United States Senate by Hon. Thomas C. Platt, of New York, as No. 2716 of the Fifty-seventh Congress.

The adoption of these three principles, by means of a Federal law, would create a credit currency of universal acceptability. It would accomplish for our country all that the credit currencies of France and Germany realize for those nations in the prevention of panics and violent fluctuations in the rates of interest. In effect it would bring about the extension over the country of a device which has thus far been a benefit to a small part of the country and in an imperfect way. Clearing-house certificates are only a currency between banks; clearing-house currency is for circulation between the banks and the community.

VIII.

The great overshadowing fitness of a clearing-house to be made part of a free and independent system of banks is that it is democratic in its construction and operation. As individuals combine to form a bank, so banks combine to form a clearing-house. The majority vote of the stockholders elects the directors of a bank, so the majority vote of banks, on some equitable arrangement, would elect the directors of the clearing-house. The rule of a majority constitutes a democracy. That rule is made perfect by a return of the power to the electors at stated intervals. There can be no centralizing of power longer than to the next election.

If any citizen of the country desires to avail himself of the benefits of banking and of the aid of the clearing-house, the way is open to him under a general law. No one, however rich or however poor, is excluded from these benefits, for there can be no monopoly under a general law. No bank can be antagonized or proceeded against except by due process of law. All arbitrary proceedings are therefore prevented. No jealousy can exist between a clearing-house and its members, because their functions are entirely different, separate and co-operative.

How different all this is from the state of affairs which exists between competitive individual banks! How different from the state of affairs which would exist between independent individual banks and branch banks or a governmental bank! If they were brought into existence, there would be eternal war between them and the independent banks. On the other hand, there would be co-operation and peace between clearing-houses and independent banks. Each would be interested in helping the other by advice and pecuniary assistance. The power of a clearing-house to co-operate with an independent bank would be greater than that of a central bank. It would represent all the banks of its State or district.

While there would be many clearing-houses, the number with power to issue currency should be limited. State boundaries give the most convenient and suitable divisions for this purpose, and one clearing-house of issue to a State would probably promote the development of the entire country most equitably and efficiently. The banks of a State, and to a large extent the business men also, are personally known at the respective centers where credits would be supervised and extended.

The collateral securities pledged for the payment of clearing-house issues, which are specified in the National Bank Act and the banking laws of the different States, and the five per cent. redemption fund, would be held by the respective State clearing-houses of issue. By the means of the redemption fund, a renewal of worn-out and mutilated currency could be made with

comparatively little delay and expense. Instead of one office at Washington for that purpose, there would be one in each State. The very desirable object of a sanitary currency would thereby be secured.

IX.

When one compares the issue of unsecured currency by five thousand banks, as has been sometimes proposed, with the issue of a secured currency by forty-five or fifty clearing-houses acting as trustees for the note holders, each of which clearing-houses of issue represents the total banking capital of a State, the merits of this system are clearly seen. All the advantages of a great central bank would thereby be attained with none of its objectionable features.

THE BANKERS' MAGAZINE, of New York, in its issue of April, 1899, page 516, says of the proposed issue of currency through the clearing-houses, "as nearly as may be it seeks to impose the penalty for violation of sound banking rules upon those most immediately concerned in the offense." This remark goes to the heart of the subject. If an injudicious loan is made and the security collateral thereto is not sufficient to redeem the currency issued thereon, and the bank taking out the currency is also insolvent, the accruing loss is to be met by the banks associated in the clearing-house which made the loan. Such losses have been rarely incurred in the issue of clearing-house certificates and they should be no more frequent with clearing-house currency. But whatever the loss, the public would have no interest in it.

There would be no opening of the doors to a large issue of bank notes, because the action of the clearing houses, having a contingent interest in the loans, would be conservative in the highest degree. A currency so issued and secured, and made receivable by all clearing-house banks for all debts due them, would pass from hand to hand with the single object of facilitating business and trade and would not fly on the wings of fear to the nearest redemption office lest it might be too late. The great object in all currency would thus be obtained—absolute confidence that the Government had provided by suitable legislation that each dollar so issued would be as good as every other dollar bearing the imprint of the Government. Thus the duty of the sovereign power of the State in respect to the coinage of money would be fully met and discharged.

X.

To sum up, it is claimed as proven that the independent bank and the clearing-house are democratic, and if they can be joined together in one system they will make the most efficient means for the development of our country in all its parts. Such a combination would remain unshaken as long as the republic endures.

The advantages coming from a strong banking system are chiefly reaped by the business community. By far the larger part of the losses in money panics falls on those who are engaged in commerce and trade and not on the banks. The capital of traders must be exhausted before the banks suffer a loss. All restrictions of credit are felt chiefly by business men. They are the ones who most dread stringencies and who would most profit by protection therefrom. Therefore these men are most interested in banking reform.

It has sometimes been said that no proposal made by bankers would be adopted by the country. This is true if the proposal is primarily in their interest for the purpose of increasing their profits, without regard to other considerations. But if the proposal is one for the benefit of commerce and trade in all sections and is equitable and fair both to banks and to the community and is not urged for private profit but for public benefit, then the bankers would do themselves credit by advocating it. They can go before the country and put themselves on record in favor of such a scheme because they appear with clean hands. By so doing they would earn and receive the gratitude and approval of the entire nation. THEODORE GILMAN.

NEW YORK, May 18, 1904.

HON. LEVI P. MORTON

A LONG AND HONORED CAREER.

Governor Morton, whose portrait we present herewith, reached his eightieth birthday on May 16, last. Mr. Morton was in Europe on that day, but many messages of congratulation went to him by cable and mail upon his continued good health, with best wishes for the future.

Levi Parsons Morton has had a career as distinguished as it has been long in both the financial and political world. Like many other successful New York men, he springs from the Pilgrim stock of New England, having been born at Shoreham, Vermont, May 16, 1824, in direct descent from George Morton, of Bawtry, Yorkshire, England. Mr. Morton was educated at the academy in Shoreham and during his early years was engaged successfully in mercantile pursuits. In 1863 he went into the banking business, establishing the well-known house of Morton, Bliss & Company. In connection with Sir John Rose, at one time financial minister of Canada, Mr. Morton also founded the house of Morton, Rose & Company in London.

Mr. Morton's firms aided the Government greatly in floating the loans for the resumption of specie payments. The London house was the fiscal agent of the United States Government from 1873 until 1884, and was reappointed in 1889. The firm of Morton, Bliss & Company was dissolved October 1, 1899, and was succeeded by the Morton Trust Company. Mr. Morton was the first President and has held the office continuously since. Mr. Morton is also President and a trustee of the Fifth Avenue Trust Company, and a director in the National Bank of Commerce, the Equitable Life Assurance Society, the Guaranty Trust Company, and many other financial institutions.

Mr. Morton was appointed by President Hayes in 1878 Honorary Commissioner of the United States to the Paris Exposition He was elected in the autumn of the same year a member of the Forty-sixth Congress from the Eleventh District of New York and was re-elected in 1880. As a representative of the business interests of the metropolis he occupied an influential position in the House.

The nomination for Vice-President on the Republican ticket was informally tendered to Mr. Morton in 1880, but was declined. After the election of President Garfield he was given his choice of a place in the cabinet as Secretary of State or Secretary of the Navy or the French mission. He accepted the latter appointment and served for four years. His attractive personality made him one of the most acceptable representatives whom the United States has had at Paris. During his service he secured the removal of the restriction upon the importation of American pork into France, the recognition of American corporations, and many other important measures beneficial to American interests.

At the Republican National Convention of 1888 Mr. Morton was nominated for Vice-President and was elected in the autumn. As presiding officer of the Senate, his tact and skill were sorely tested by the bitter contest over the so called "Force bill" in 1890, but he won golden opinions from both sides for the impartial good sense of his rulings. Mr. Morton was elected Governor of New York by a very large majority in 1894, and made one of the most popular chief executives who has served at Albany.

Governor Morton has been twice married and by his second wife has had five children. Mr. Morton is one of the governing board of the Metropolitan Club, and a member of the Union, Union League, Lawyers' and other prominent clubs.

TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.*

FUNCTIONS OF TRUST COMPANIES.—*Continued.*

BANKING BUSINESS.

Trust companies carry on the banking business, and in the great majority of cases this business constitutes the largest part of their duties. The banking department is usually divided into the department of commercial accounts, in which the business is similar to that of the National bank with the exception of note issue, and with the exception in many States of discounting paper; and the savings department, in which the business is identical with that of the savings department of the incorporated Savings banks of the Central States, and not materially different from that of the mutual Savings banks of the East.

In view of the statement just made, the question naturally arises, "What is the difference between the trust company and the bank?" This question has been discussed to some extent in the periodicals and in the circulars of trust companies. In these discussions are represented diametrically opposite views; namely, that there is no difference between the two institutions, and that there is a wide difference. The variety of opinion arises from the fact that different writers tell of the particular trust companies with which they are familiar, and which differ from each other; and also—and more generally—from the fact that some discuss the question from the theoretical side, while others, disregarding the theory, speak of the actual practice as they find it.

So far as concerns business other than that of the banking department, the foregoing discussion of the functions of trust companies reveals an important difference between these companies and banks. While it is true that some of these functions have been and still are carried on to some extent by some banks, the tendency is to leave this field wholly to trust companies, while many of these functions may not legally be undertaken by banks. Allowing for some exceptions, it may be said without fear of contradiction that the functions thus far described are distinctively those of trust companies.

As a matter of theory there are important differences between the business of the banking department of trust companies and that of State and National banks. In theory and in early practice the banking department of the trust company was merely incidental to its other functions, being maintained to care for the funds coming to it in trust. The trust company is a depository for the inactive and accumulating funds of the community, the bank for the active funds—the funds used in business. It follows that the natural depositor of the bank is the business man, or firm or company, whose funds are

* Publication of this series of articles was begun in the January, 1904, issue of the MAGAZINE, page 81.

continually in use, quickly turned over, and who expect in return, not interest, but accommodation in the way of discounts. The natural depositor of the trust company, on the other hand, is the person or concern whose funds are not in active use, and who wishes a place for the safe-keeping and accumulation of same. A prominent writer on trust company subjects* has classified trust depositors, as distinguished from bank depositors, as follows:

"1. The laborer, mechanic, clerk, teacher—all those who work for wages or on salary.

2. The capitalist, the professional man, the married woman who has a separate estate.

3. The business man who wishes to separate his private income or the surplus profits of his business from his general business capital.

4. The corporation, public or private, that is accumulating a sinking fund, or any individual who is husbanding a balance to pay a debt.

5. The executor, administrator, curator, guardian, assignee, receiver, trustee under deed or will or order of court.

In short, all such who wish their daily deposits to draw interest."

A study of this list reveals a class of accounts entirely distinct from those handled by the ordinary bank, and a class of accounts, too, for which little provision is made by National banks or by the old-time State banks.

These trust depositors expect from the trust company in return for their accounts compensation of quite a different kind from that which the bank depositors expect from their banks. Their moneys are placed in the care of the company for accumulation; they want interest on their funds as well as a safe place to keep them. The ability to withdraw the funds on demand is not of pressing importance to them, and they are often willing to give notice some time in advance of intention to withdraw their deposits.

It results that the trust company is in position to invest its funds in ways quite different from the bank. The funds of the latter must be so placed that they can be quickly recovered to meet the needs of customers, being usually invested in paper that will mature in thirty, sixty or ninety days, or four months at the longest. The trust company can safely make long time loans on collateral or even on real estate. Moreover, since the trust company pays in full for the use of its depositors' money by allowing interest on such money, it has no obligation to confine its loans to depositors, but may lend to whomsoever offers the best security and the highest rate; or it may invest its money largely in bonds and stocks or in real estate. The bank remunerates its depositors by offering them a line of discounts, and hence must reserve its money mainly for loans to such depositors.

The necessity of dividing its loanable funds equitably among its depositors who desire discounts requires the bank to confine its loans to comparatively small amounts, while the trust company is in position to make large loans.

As a matter of theory, then, both as regards the classes of customers whom they serve and as regards the uses of their funds, trust companies and

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* Breckinridge Jones, First Vice-President and Counsel of the Mississippi Valley Trust Co., St. Louis. His paper on "The Trust Company Question" delivered before the Missouri Bankers' convention in 1892, and published in pamphlet form by his company, is a masterpiece, and has been widely copied. So far as the writer knows, it was the first published study of the question. The writer acknowledges his indebtedness to this paper for many of the points here given.

banks occupy distinct fields. They are co-ordinate institutions, each supplementing the work of the other, and both necessary factors in carrying on the financial affairs of the community. There is here not competition, but co-operation.

So much for the theory. In actual practice, the differences between the two classes of institutions are much less marked, and the tendency in many communities is steadily to lessen such differences as do exist. As a matter of fact the trust company of to-day has invaded a portion of the field of the bank, while, on the other hand, the bank is invading a portion of the field of the trust company. Most trust companies seek business accounts, payable on demand by check, offering as inducement interest on satisfactory daily balances. In cases where the law does not forbid, some companies also offer lines of discount. On the part of the banks there is a noticeable tendency in many localities to seek inactive accounts on which interest is allowed. This movement is being taken up even by National banks in the form of the maintenance of savings departments.

The result is that there are communities in which there are only slight differences between the business done by State banks and that done by the banking departments of trust companies. Both maintain commercial banking and savings departments conducted in the same ways. Their loans and investments are of practically the same character.

In other communities, where most of the banks and trust companies follow the lines of business for which each was theoretically established, there may sometimes be found individual trust companies which do a regular banking business, and individual banks which compete for the dormant accounts that naturally belong to trust companies or Savings banks.

Taking it the country over, it is safe to say that the difference between the average State bank and the banking department of the average trust company is slight, except in those States where trust companies may not discount commercial paper.* Such differences as exist usually concern the proportions of the various kinds of business handled, business accounts as a rule forming the larger, and inactive accounts the smaller part of the bank's business, while the reverse is true of the banking department of the trust company.

Where the trust company is forbidden to discount commercial paper, there results, of course, a distinct difference in the business of the two institutions due to such prohibition. In such cases the trust company still handles a large number of business accounts, as many business men either do not need discounts, or have other means of procuring them. In many places the practice has grown of forming working agreements by which groups of banks and trust companies throw business into each others' hands. By this means a given group of financiers is able to handle financial business of any kind. This plan is a recognition at once of the need of both institutions and of essential differences in their functions.

There is considerable difference between the State laws governing trust companies and those governing State banks. As a rule, the former are much

* This statement is based on a personal study of trust companies in eight of the largest cities, and upon an examination of the business advertised in the circulars of some three hundred representative trust companies located in all parts of the country.

less hampered by restrictions in the character of their business, are not required to carry as large a reserve, if any, and are not taxed as heavily. In a later chapter the laws of the different States will be discussed in detail.

It is evident that there is a close resemblance between the business of the savings department of the trust company and that of the Savings bank, especially of the incorporated Savings bank, which is the usual form of such institutions outside of the Eastern and New England States. Both are after savings accounts. With regard to the mutual Savings banks, particularly, the theory is that such institutions exist especially for the accounts of those whose savings are comparatively small, while the trust companies are supposed to exist primarily for the safe-keeping and accumulation of larger accounts. In practice, however, this distinction is not always maintained, although it is probably true that the average savings account of the trust company is larger than that of the mutual Savings bank. But trust companies usually advertise that deposits of more than five or ten thousand dollars will not be received at the regular interest rates. The minimum deposit received by either institution is usually one dollar.

In this connection it is worth while to call attention to the important service that the trust company, as well as the Savings bank, is rendering in the way of adding to the available money supply of the country. Through the medium of a large number of small accounts they gather from the people of their neighborhoods large sums that would otherwise be kept in the traditional stocking or in private safes. These funds are thus placed at the disposal of the community for use in carrying on its business, and make possible enterprises that benefit the whole people, and that would otherwise fail for lack of available funds. Particularly is this the case with reference to those companies in outlying parts of large cities, or in other localities where banks would not find enough business to keep them alive. As an instance of this, the writer knows of a trust company located outside the business district of a large city which in ten years accumulated deposits of over two millions, the larger part of which came from persons who had not theretofore deposited in banks at all. Here was a large sum put into active circulation and so made productive, to the mutual benefit of the depositors, the bank and the community at large.

Miscellaneous Functions.

Occasionally trust companies perform functions not mentioned in the foregoing discussion. For instance, some companies, in the far Western States particularly, write fire insurance as agents. The wide powers granted by the laws of most States permit trust companies to undertake almost any kind of financial business, and the result is that companies in different localities take up special lines of business for which there happens to be a field.

It is usual for trust companies to offer to customers the services of their officers for legal and financial advice on ordinary matters that involve no complicated questions. This does not mean, of course, that the company undertakes to do the lawyer's work in such cases. But many of its customers are wholly ignorant of the most common principles and practices in business and commercial law, and as a result are greatly profited by advice in what seems to the experienced a very simple matter. Much litigation and loss, and many foolish "investments" are prevented by a little advice to such persons. The

banker sometimes performs similar services for his customer, but the usual bank customer is acquainted with business procedure, while a considerable number of trust company customers are not so acquainted.

Complaints are heard in some quarters that the trust company is encroaching upon the field of the lawyer. Undoubtedly this is true as regards the handling of estates and the performance of many duties of a fiduciary nature. On the other hand, the trust company gives employment to a large number of lawyers. Every company has its attorney or force of attorneys, and trust officers are usually chosen from the ranks of those who have had legal training. Trust companies make it a practice, when a lawyer brings them a trust, to retain him as attorney for that trust whenever special services are needed. Furthermore, the trust company is a great aid to the lawyer in many ways. He often needs to select for his clients a trustee, guardian, receiver, assignee, depository, etc. He is often called upon to make investments for his clients—a responsibility that many lawyers do not care to assume. In the practice of corporation law the lawyer finds the trust company of special use to him. Its facilities for the accurate keeping of accounts, preparing reports, caring for securities and managing assets appeal to many lawyers who have not the time or the inclination to assume other than the purely legal part of the work. To a great extent the trust company supplements and assists the lawyer of large practice.

Sources of Earning Power.

It is evident that the sources of earning power of the trust company are much more numerous than those of the bank. It may do all that the bank may do, and many things besides. One writer* has pointed out the fact that the trust company has developed all the earning power of an individual, thus adding greatly to its profits, as well as to its usefulness. To get at the possible earning power of the trust company, therefore, one must remember that it is not confined to the profits from the interest on funds under its care in the form of capital and deposits, but adds fees for its services in trust capacities of ordinary kinds and special fees for special services. The tremendous earnings of some trust companies have been due more to the skill of their officers in performing services of a more or less personal nature than to the natural earnings of their banking departments or the regular fees on trust work. It is also true that during the flush times preceding the year 1903, large sums were made by many companies through underwritings and stock investments. These means of profit were, to say the least, hazardous, and in many cases the profits of this kind of preceding years have been reduced or turned into losses since 1903. It is not out of place to remark that the great development of trust companies came during the "good times" during the later nineties, and that the depreciation of values beginning in 1903 has brought about a healthful reaction in the policy of some companies.

The Trust Company Still in the Formation Period.

One thing that must strike the careful observer forcibly is that the trust company as an institution is still in the formative period. As has been already pointed out, it travels ahead of statute law, such laws usually being

*Guy Morrison Walker, pamphlet on "Trust Companies," published by Moore, Baker & Co., Boston.

formulated to govern a business already established, rather than outlining a business to be put in operation, as was the case with the National Bank Act. As a consequence it is too early to determine the exact form into which experience will cause the trust company business to crystallize.

That there is and ought to be a growing demand for more careful regulation and examination of trust companies in many States is evident, and the interests of both the public and the trust companies themselves will be subserved by a wise response to such demand. On the other hand, it would be a misfortune if unnecessary restrictions were imposed, which would result in preventing the trust companies from developing in harmony with the changing conditions of our American life. In this power of adjustment to existing conditions lies the secret of the great success of these institutions, not only in making earnings for themselves, but as well in serving the general public. Those bankers who, feeling the competition of trust companies, wish to have the laws of various States amended so as to put the banks in better relative position, should bear this fact in mind. If changes are to be made in the laws, wisdom dictates that such changes be in the line of removing any needless restrictions on the work of the banks, if such exist, rather than imposing any needless restrictions on the work of trust companies.*

The fact is that, allowing for some exceptions, the methods of trust companies are, on the whole, sound business methods, attended with as much safety to the public and to the companies as those of the banks. Besides this they have the great advantage of being better adapted to present needs, and of being able to adapt themselves to new needs when they present themselves. CLAY HERRICK.

(To be continued.)

*See Walker: "Trust Companies," pp. 14-16.

COLLEGE TRAINING AND BUSINESS.—Messrs. D. Appleton & Co., of New York, have published a series of essays on "College Training and the Business Man." These essays were prepared as a result of suggestions by President Thwing, of Western Reserve University and Adelbert College, who has combined the views thus obtained with others publicly expressed, and has commented on them from his own point of view.

Mr. A. B. Hepburn, President of the Chase National Bank, New York, after referring to the sense of undue importance which may prevent a graduate from taking hold at the bottom, and to his unfamiliarity with the kind of work he has to do, says:

"These two disadvantages overcome, the advancement of the college graduate is much more rapid. He is older, has learned to concentrate his thoughts, has a better and more efficient control over his intellectual faculties, has a broader and deeper foundation, and is bound in the end to far outstrip the high school graduate of equal ability and application. I would unhesitatingly advise any young man who contemplates a banking career to graduate from college before taking up banking, if his means and opportunities will admit of his so doing. At fifty years of age he will find himself much further advanced in the business world than he would have been without his college training. In the matter of contact with other men, either personally or by correspondence, a college education is invaluable. It opens opportunities to a man all through his business career, and, other things being equal, his superior education would give him preference in the selection of a person for official responsibility."

THE FOREIGN EXCHANGES.

Foreign exchange is the system by which the traders of the different nations discharge their debts to each other. In the more technical sense the term is limited to the settlements made by means of bills of exchange.

A bill of exchange is an order by one person to another in a different place to pay money to a third. The term is sometimes used for similar transactions between different places in the same country. Such an operation in the United States is called domestic exchange and in Great Britain inland exchange. In the United States most references to exchange, without any qualifying words, refer to foreign exchange, which involves transactions between persons in different countries.* The definition given by Mr. Goschen, the author of the first classic work on the foreign exchanges, is this:†

"That which forms the subject of exchange is a debt owing by a foreigner and payable in his own country, which is transferred by the creditor or claimant for a certain sum of money to a third person, who desired to receive money in that foreign country, probably in order to assign it over to a fourth person in the same place, to whom he in his turn may be indebted."

Stripped of technicalities, the use of bills of exchange serves a similar purpose to the use of checks in obviating the necessity for transferring money. It is a method of charging off the obligations of persons in different nations to each other, just as banking credits are means of clearing such obligations at home, in such a manner as to reduce to a minimum the transfer of actual money. If the entire volume of exports from the United States, amounting in the fiscal year 1903 to $1,420,000,000, had to be paid for in money, it would be necessary to send that amount of money across the ocean, while if the imports into the United States, amounting to $1,025,000,000, were paid for in the same way, a large counter current of money would be flowing in the opposite direction. These shipments of money, moreover, would have to be made in gold coin rather than in any form of Government paper or bank notes, because gold is the only money possessing full intrinsic value and acceptable in all commercial countries.

It is obvious that these counter shipments of gold would be wasteful and unnecessary. They would absorb a great quantity of money upon which interest would be lost and they would be subject to the costs and exposed to the usual risks of transit by sea. As between one country and another, if the transactions could be brought to a common market, it would only be necessary at most that the balance should be settled in gold. But the persons who import goods from Europe are not usually the same as those who export goods to Europe, and those to whom goods are exported are not the same as those

*The term "bills of exchange" is still widely used in Great Britain for inland bills. Thus Rae has a chapter on "Bills of Exchange" almost wholly devoted to this subject ("The Country Banker," p. 238): and Easton says, "Bills are drawn on London from every quarter of the Kingdom" ("Banks and Banking," p. 167).

†"The Theory of the Foreign Exchanges," p. 2.

from whom they are bought. The bill of exchange, therefore, comes into use as a means of transferring titles to money without the physical delivery of it. What is required ultimately by the creditor is payment in the money of his own country. The title to such money is what the debtor buys through the processes of foreign exchange. In the words of M. Georges-Lévy, exchange is "the operation which transforms the money of one country into that of another country." *

The simplest form of a foreign exchange transaction would be the case where a person who had become entitled to money by selling goods to a foreign purchaser should draw an order upon that purchaser for the amount due for the goods. If this order is bought by a person who owes money abroad for imported goods, the latter is able to remit the order to the person from whom he has bought. This person has then only to present the order in his own country, and usually in his own city, to the person upon whom it is drawn—the buyer of goods from the exporting country. Thus the counter obligations between the two countries are settled by charging one off against the other and transferring such claims to the persons ultimately entitled to money.

The operation of bringing together buyer and seller of bills of exchange is naturally performed through banking houses. Otherwise the person who had a bill to sell would not know where to readily find a buyer and a person who desired to buy a bill to settle an obligation abroad would not know where he could find one. Dealing in bills of exchange is, therefore, a regular profession, sometimes pursued by classes engaged in few other forms of business and sometimes as an incident to other forms of banking.

Conditions Affecting the Price of Bills.

Bills of exchange, being a substitute for money in the settlement of international balances, are subject to the condition governing other commodities —the rule of supply and demand. If such bills are plentiful, in relation to the demand for them, their price falls; if they are scarce, their price rises. An excess of bills of exchange arises fundamentally from an excess of exports from the country where they are drawn; a scarcity arises from an excess of imports. Many other elements, as we shall see, enter into the problem of the relative demand for bills, but for the sake of simplicity in illustrating the theory, it may be assumed that the demand for bills depends upon the balance of foreign trade. In the figures given above for the trade of the United States in 1903, there would be a large offering in New York of bills on London and their price in American money would fall, while in London there would be a relative scarcity of bills on New York and their price would rise.

The terms "rise" and "fall" are here used on the assumption that drafts expressed in foreign money are quoted in terms of the money of the country where they are sold. This is the case with drafts upon London sold in New York. A rise in exchange implies that it requires an increased amount of American money to buy a pound sterling; a fall in exchange implies that it requires a less amount. In London, however, this method of quoting the exchanges is not usually followed, but exchange with foreign countries is expressed in the currency of those countries. This reverses the significance of terms and makes a rising exchange favorable to London and a low exchange

* "*Mélanges Financiers*," p. 102.

unfavorable; because a high exchange means that more foreign currency can be bought with an English pound sterling. It is necessary therefore, in interpreting references to the state of the exchanges, to know the point of view from which they are made.

If bills of exchange were the only method of settling international balances, those who had them to sell might fix any price determined by the demand on the one hand and the supply on the other. There are, however, natural limits to the prices which can thus be obtained. These limits are established by the cost of shipping gold. If brokers should arbitrarily charge for bills of exchange a price not warranted by the conditions of the market, the option would lie with the person having a debt to settle abroad to send gold, which would be accepted by his creditor as readily as a bill. It would be necessary to obtain the gold, to have it properly boxed, to secure insurance against its loss, to pay the other proper costs of shipment, and to consider the loss of interest while the money was in transit. As these charges are nearly uniform between given points and can be easily ascertained, they form a limit upon the cost of bills of exchange beyond which dealers in such bills cannot go in fixing their charges. An excessive supply of bills may depress the price obtained for them to such a point that a man having a debt due from abroad will prefer to pay the cost of having gold shipped to him. A deficient supply of bills after raising their price to the same amount as the cost of shipping gold, may compel the actual shipment of gold to meet the obligation. Between two gold standard countries, these limits are pretty nearly fixed by the cost of gold shipments. It is these shipments which settle the final balances of indebtedness after transactions have been as far as possible set off against each other.

Definition of "Par of Exchange."

Par of exchange expresses the relations between the mint weights of the standard coin of different countries which employ the same metal for their standard money. Theoretically par of exchange would arise from an exact balance of payments, but practically such an exact balance seldom exists and could not be accurately ascertained if it did exist. Par of exchange simply constitutes the pivot around which the exchange fluctuates upwards or downwards according to the relations of demand and supply for bills.* Par of exchange between London and New York is $4.866. This means that $4.866 in United States gold coin contains the same amount of gold bullion as a pound sterling in British gold coin. The par of exchange between Paris and London is 25.22 francs to the pound sterling and the par of the German exchange on London is 20.43 marks to the pound sterling. These parities depend on the legal weight of new coins and are modified in practice if a country permits its gold coinage to deteriorate by wear.

There can be no fixed par of exchange between countries having different metals for their currency standards. There is a definite par between the legal mint weights of the standard coins in gold standard countries, but there can be no such fixed par between gold and silver countries, gold and paper

* A simple case of theoretical par exists between England and Australia, because the unit of value of each is the gold sovereign of the same weight and fineness; but this is very far from implying that £100 in one country will purchase a bill for £100 on the other, even when merchandise shipments are evenly balanced, for the loss of interest during the transmission of the bill has to be considered. *Vide* Clare, p. 17.

countries, or silver and paper countries. Their exchange necessarily fluctuates according to the relations of gold to silver or to paper currency, without any fixed limits. Thus the fluctuations of exchange between London and New York since both countries have been upon the gold standard could not be materially greater than from \$4.835 in American currency for the pound sterling to \$4.895, a difference of less than one and a quarter per cent., representing the cost of shipping gold both ways. Between New York and Mexico, however, while the latter country was on a silver basis, in 1903, the fluctuations were from 2.65 pesos to 2.18 pesos for one dollar, the difference of more than twenty per cent. between the two extremes representing the changes in the gold value of silver in addition to the mere cost of shipping money between the two cities. There being no fixed price in gold for silver bullion, there is obviously no point in the relationship between the moneys of the two countries which can be considered as an even theoretical par of exchange.

While the par of exchange is a theoretical conception, which cannot be demonstrated to depend upon exact equality of payments, there is no doubt that, other influences being the same, such a par is more nearly attained when the supply of bills offered in one country upon another about equals the supply offered on the other side, than under different conditions. When there is an excess of payments to be made by one country over the amounts due to that country, the demand for bills is likely to exceed the supply and to raise the rate of exchange. When all of the bills have been absorbed, it then becomes necessary to export gold. The point at which the cost of shipping gold is no more than the price of bills of exchange is called the "gold point." The same term is applicable to the movement in the other direction, when the price of bills falls so low that it is more profitable to accept gold. One is the export gold point; the other is the import gold point, but in practice the relation of the gold point to the price of bills, whether they are high or low, carries its significance so plainly to the expert that in ordinary discussion he does not feel the necessity of using the qualifying phrase. When the cost of bills on London and New York, for instance, rises gradually from par at \$4.866 towards \$4.895, which is about the gold export point, the exchange dealer and his customers understand that "the gold point" means that gold is likely to be exported from New York when this point is actually reached. On the other hand, when the price of bills falls from par towards \$4.835 reference to the impending "gold point" means that when it is reached gold is likely to be imported.

A large demand for bills of exchange, therefore, arises from heavy obligations to be settled abroad and a small supply of bills arises from limited obligations due abroad. The balance theoretically has to be settled by the transfer of gold. The normal bill of exchange is based upon actual business transactions. These transactions inevitably include many items besides the export and import of commodities. They include payments for freight, insurance, commissions, and other charges connected with the shipment of goods. They include also remittances of interest due by borrowers in one country upon the securities which they have sold to the lenders in another country.*

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*Nicholson classifies a freight payment as "an invisible export" and an investment as "an import of securities from the foreigner," to be paid for in commodities.—"Bankers' Money," p. 26.

Assuming for the sake of simplicity that one country, as Great Britain, had a claim against the United States for $80,000,000 for goods exported and that the United States had a claim against Great Britain of $100,000,000 for goods exported, equality in exchange transactions might be reached by the fact that American merchants owed to British shipowners $10,000,000 for freights and similar charges and owed to British capitalists $10,000,000 for interest on their investments in American securities and dividends on direct investments in American mills. Under such a condition of the exchanges a quantity of commercial bills on London would be thrown upon the New York market which would exactly meet the demand for bills for all purposes.* Under such conditions the price of exchange should be near par in each country.

BILLS DRAWN BY BANKERS.

It by no means follows, however, that absence of equality of payments causes immediate movements of gold. The bills originating in movements of merchandise are known as commercial bills. They are, in the case assumed, bills drawn against merchandise actually exported from New York to Great Britain. There is another class of bills of great importance, however, which enter into the movement of the exchanges to still further economize the transfer of gold and to diminish the successive shocks which would come to the money market if the only factors were commercial bills and gold. This additional factor is bankers' bills of exchange. These are drawn in the same manner as commercial bills. They are drawn in some cases against actual shipments of gold in order to give to the trader command over the gold which has been transferred between the banks. This operation may be thus described: †

> "When gold moves between countries it is an article of merchandise, and bankers' bills are drawn against the movement in the same manner as commercial bills would be drawn against a movement of commodities, though the drafts against gold would be payable in the briefest possible interval of time to save interest charges which, under conditions calling for such an unusual movement, would be abnormally high."

Bankers' bills may be drawn also against credits extended to the bankers abroad. It is in this way that bankers help to avert the unnecessary pressure which would be felt upon the market if every temporary balance of payments had to be settled by the shipment of gold. A New York bank which deals in foreign exchange is usually able to obtain an open credit from a banking house in London or any other point with which it does business. When there is a scarcity of commercial bills on the market, the New York bank is able to meet the demand by drawing bills against its credit abroad. This serves to make the supply of bills equal to the demand. Eventually the New York banker must pay in some manner for his draft upon his foreign credit. He counts upon doing this by himself buying bills of exchange when the supply is in excess of the demand. He thus contributes by the purchase of bills as well as by their sale to temper the fluctuations of the market and keep supply and

* "In the New York market freight charges figure chiefly on the demand side of London bills, since a large part of the ocean carrying trade is in the hands of English ship-owners, who receive their pay in London bills. The great German transportation companies also have a large New York business which influences the demand for German bills."—Scott, "Money and Banking," p. 215.

† "Foreign Exchange," "New York Financier," p. 19.

demand at a level. Since bankers' bills are usually drawn only after the supply of commercial bills has been exhausted (or shows symptoms of exhaustion) and to avoid the cost of shipping gold, they command a slightly higher price than commercial bills.* The banker, by delaying the offer of bills for sale until there is a scarcity, is able to obtain a price approaching the gold export point; by delaying the purchase of bills until there is a manifest excess he is able to purchase at a point approaching the gold import point. If at the time he sells his bill at a high price he calculates correctly the time when he will be able to buy at a low price, he makes a profit in excess of the direct profit represented by the cost of shipping gold.

Numerous Factors Affecting Exchange.

The employment of bankers' bills is only one of many factors which complicate the operation of the simple principle of settling balances by an interchange of commercial bills. There is a great variety of transactions growing out of modern financial operations which require remittances one way or the other independent of the shipment of commodities. The payment of interest on securities is one of these factors and dealings in securities which have an international market constitute another factor. The rate of discount for money is also an important factor in determining the profit of the dealer in bills of exchange. A high rate in one centre as compared with a low rate in another will lead bankers to buy or sell or to change their charges according to the influence of the rates upon final profits. A New York banker who has an open credit in Europe will take advantage of high interest rates in New York to sell bills, other conditions being favorable, up to the limit of his credit. He will do this because the money received for the bills sold can be lent in the market at the high rate of discount which prevails there. He will have to pay for the use of this money only the rate of the discount in the market on which the bills are drawn, plus perhaps a small commission, so that there will be a profit amounting to the difference in the rates. This profit will all go to the banker who sells the bills or will be divided between him and the institution on which they are drawn, according to the nature of the contract between them.†

Down to a recent date the comparative excess of capital in Europe seeking investment over the amount of such capital in the United States has made the rate charged for the use of money lower as a rule in Europe than in America. This has made it more profitable for American bankers to sell exchange against their credits in Europe than for European bankers to sell on America. Occasionally, however, this process has been reversed. The low rates of exchange in New York in the autumn of 1903 tempted American bankers to buy bills on London and hold them for sale at later dates at higher prices. The character of such operations was thus set forth by a financial journal: ‡

* "That a bank draft should cost more than a trade bill is (quite apart from the better standing of the drawer) only natural, for the banker, besides having to remunerate his correspondent, either by paying a trifling commission, or by keeping a balance in London free of interest, must also add on a certain percentage for the trouble of drawing and advising the bill, and providing cover."—Clare, p. 29.

† An operation of this sort in which the risks and the chances of profit are equally assumed on both sides is called a "joint account," and sale of bills by a banker at his own risk and profit, with a fixed commission paid for the privilege of drawing, is called a "free credit" or an "open account."

‡ "Wall Street Journal," Nov. 18, 1903.

"Investment purchases of long sterling are now a feature of the foreign exchange market for the first time in several years. The operation is the reverse of that by which sterling loans have been made so frequently during the past two years. It consists in the purchase of bankers' sixty and ninety day bills for the purpose of holding them until they run to sight. The difference between the present rate for bankers' long bills and the rate at which it is estimated that demand sterling can be sold when the bills mature, constitutes the profit on the investment."

This extract brings out the highly technical character of exchange operations and the money factors which enter into them. "Long sterling" is the market contraction for bills drawn in pounds sterling for a long period. The antithesis of "long" bills is "sight bills" and the rates of exchange usually quoted are for "sight" and sixty and ninety-day paper. It is obvious that a "long" bill may be sent at once to the market on which it is drawn to be sold there for collection at maturity or may be held in the market where it is drawn, as in the case above cited.

A variety of factors operate upon exchange in so many conflicting ways that only those who make a careful study of the subject are capable of making all the intricate calculations required in exchange operations and judging with reasonable certainty of the future course of the market. It is not possible here to follow these operations in detail. The elements which bring complication into the problem are the arithmetical differences between the units of foreign money, the allowances to be made for interest on the bills themselves, the fluctuations in discount rates at different points, the fluctuations in the value of currencies which are not upon the gold standard, and finally the movement of the complex forces of payments of all kinds to be made on one side or the other which determine the equation of supply and demand. There are several technical terms, however, which are so frequently met with in discussions of foreign exchange markets that their definitions may properly be given as they were presented nearly a century ago in Kelly's "Cambist."*

"The word *valuta* or *valeur* is applied on the Continent to the prices or rates at which different kinds of moneys are reckoned in commercial transactions.

The difference of one sort of money compared with another is mostly reckoned at so much per cent. When a better sort is given for a worse, the premium or percentage is called *agio*; but when the difference or percentage is considered with regard to the inferior sort of money, it is called *discount*. Thus, formerly, when 100 florins banco were given for 104 of currency, the *agio* on *banco* was four per cent; but, when the same sum was given for ninety-five florins currency, then *banco* was said to be at a discount of five per cent."

It is by the skillful combination of these various factors for their own profit that the operations of dealers in exchange tend automatically to withdraw capital from the places where it is least needed and concentrate it in those where it is most needed. Their guide is the theoretically simple one, that they will receive the highest price for money where it is in the greatest demand. The margins upon which such transactions are made have steadily grown narrower, and the employment of bills of exchange has greatly increased with the expansion of commercial operations in recent years. A solidarity has been established between different markets which did not exist a century ago or even a generation ago. It has become possible through the use of the telegraph and ocean cable to conduct operations in exchange and

* "The Universal Cambist and Commercial Instructor," I, p. XXXIV.

especially in indirect exchange upon very small margins of profit. Such transactions are often made by bankers without direct reference to the movement of commercial bills, simply because they find by careful comparison of the rates of discount in different markets and the price of bills that a small profit may be made by promptly buying or selling. Such transactions are called arbitrage of exchange.

Arbitrage and Indirect Exchange.

Arbitrage is defined by Prof. Courcelle-Seneuil as a traffic in bills "similar to that in merchandise, which consists in buying commercial paper which is depreciated in certain places in order to sell it in other places where it is in demand."* As the operation is explained by Pierson:†

"Just as the merchant makes his profit out of differences in the prices of goods, so the foreign banker makes his out of differences in the prices of bills, and the operations both of the merchant and the banker have the beneficial effect of reducing these differences to a minimum."

Under normal conditions exchange cannot fall below the cost of importing gold nor rise above the cost of exporting it. Special circumstances affecting the money market or the state of credit have occasionally, however, caused rates which for a short time went beyond these limits. When there is a stringent money market, even a favorable rate for bills of exchange may not tempt the owners of money to invest in bills. One of these occasions was at the outbreak of the Civil War in the United States in 1861, when the political conditions produced such a desire for money on the part of dealers in bills that they were willing to sell the bills at a sacrifice rather than wait for their maturity and payment in England. The probability of war had led to the reduction of importations into the United States, and this had brought more bills into the market than there were buyers with obligations to settle abroad. The combined effect of the large net offerings of bills and the desire for money, was to depress the price of bills momentarily below the cost of importing gold.‡ The operation of an opposite influence was felt in the United States in October, 1839. Specie was shipped to England at a loss in preference to bills at par, owing to the apprehended difficulty of getting the bills discounted under the conditions of pressure then prevailing in the London money market.§

The development of the ocean cable has made possible a method of transferring money and conducting arbitrage operations which dispenses with the direct use of bills of exchange. This method is thus described by Bolles:‖

"Within a few years the practice has arisen of transferring money by telegraph, or, as it is termed by the newspapers, 'cable transfer.' By this method a merchant who desires to ship wheat to London can complete the transaction in a few hours. He can ship the wheat, telegraph the fact to the consignee at London, obtain particulars concerning the conditions of the market, and, if he think best, have the wheat sold at once, 'to arrive,' and to remit the proceeds through a London banker. A bill does not appear at all in the transaction. The amount of business done in this manner has materially reduced the volume of bills in some places. In the Eastern trade with London, in which competition is exceedingly heavy and the margin of profit consequently small, the telegraphic transfer system

* "*Traité des Opérations de Banque*," p. 99.
† "Principles of Economics," I. p. 519.
‡ Bastable, "The Theory of International Trade," p. 86. § Raguet, p. 27.
‖ "Practical Banking," p. 251.

has been in use for several years. The amount of cable transfers between this country and European countries is constantly increasing."

One of the most complicated of the operations of exchange is indirect exchange. It is an operation which may be availed of either as a convenience in settling commercial transactions or as a source of profit in arbitrage operations in bankers' bills. Indirect exchange is the employment of bills drawn on a given point to settle obligations at another point. In this way are settled many of the balances between countries whose direct trade with each other would create large favorable or adverse balances. If, for example, the United States has sold more goods to British merchants than she has bought from them, but British merchants have sold more to South American merchants than they have bought from them, it is a natural thing that the British should turn over to the American merchants the authority to collect the debts due them in South America and to retain the proceeds. It is no uncommon thing, when the current of trade is in the other direction, so that money is due by British importers to the wool growers of the Argentine Republic, for gold to be shipped from New York to Buenos Ayres to discharge the British obligation.

Such operations are carried on through brokers and bankers, who are governed by the conditions of the market in determining whether to ship gold or to buy or sell bills. They may be, and often are, carried on by bankers for the purpose of making a profit by arbitrage. In such cases the bankers study carefully the rates of exchange and the rates of interest for money at the several points which they propose to make the basis of their operations. If exchange in New York, for example, on Berlin is favorable to New York, so that a comparatively small amount in American currency will buy 1,000 marks in Berlin, while exchange in Berlin on London is also favorable, so that a comparatively small amount in marks will buy a draft for £100, then a banker in New York may find it profitable to sell drafts on London directly to his clients, but to cover them by bills on Berlin, which are to be in turn invested by his agents there in bills on London. These operations, however, involve uncertainties and require skill and accurate calculation to afford a profit.

The Financial Primacy of London.

It might be supposed that in balancing international obligations bills for an equal amount would be drawn on both sides of the account—that is, that if there was a real equality of indebtedness, bills for the same amount would be drawn in London on New York, and in New York on London. This, however, is not the fact. London is the centre on which most bills are drawn. The exporter of goods to England, to whom money is due in London, draws a bill on London entitling him to its payment. The importer of goods from England, on the other hand, who has to pay for goods in London, usually buys a bill on London for making his payment instead of waiting the arrival of a bill drawn against him. The reason for this is the primacy which London has held during at least a century in financial transactions. This primacy is due partly to the fact that a bill on London is payable in pounds sterling, and that pounds sterling represent a definite weight of gold. There is no delay nor discount in realizing an obligation expressed in English money. This is because Great Britain adopted the gold standard in 1818, and has not departed

from it even to the extent of charging a fractional premium for gold or by throwing obstacles in the way of obtaining gold at the Bank of England. So important to the merchant and banker is this certainty of the English monetary standard that drafts upon foreign countries are sometimes expressed in English money. This is done in order to escape the risks of fluctuations in the value of the foreign moneys, especially those of paper. When the Crimean War broke out in 1854, the London "Economist" advised merchants having transactions with Russian subjects to conduct their business in their own currency instead of that of Russia, for the reason that "No matter then how low the exchange may fall in Russia, the debtor must provide whatever number of rubles is required to purchase a bill for the necessary amount expressed in the stipulated currency." *

The large volume of business done by London bankers and bill brokers has given a reputation to bills drawn upon and accepted by them which does not belong to houses perhaps equally strong which have not been so long established at the centre of exchanges. This has resulted in making bills upon London a favorite form for short investments on the European Continent. These bills are bought by bankers and held for a shorter or long time according to the state of their own market and that of London. "London paper" often changes hands many times on the Continent before it is sent to London for collection. It forms one of the best forms of assets in the hands of continental bankers independently of the profit which they may make by arbitrage of exchange. The National Bank of Belgium keeps more than half its reserves in foreign bills, largely on London, and a Paris or Berlin banker, by following the same policy, is prepared to meet any sudden deficiency in his cash resources by selling a parcel of his foreign bills.†

Bills Drawn on Countries Having an Irredeemable Paper Currency.

Very different is the status of bills of exchange drawn on countries having an irredeemable paper currency. No one except a very venturesome speculator cares to hold such bills as an investment, because there is no definable limit to their depreciation. They cannot rise higher in value than gold, except a fraction under the influence of a special demand for currency, but they may fall in value to any proportion below gold. Bills of this character, payable in irredeemable paper, are subject to the law of supply and demand, but the supply is the subject of monopoly on the part of the issuing Government and is not subject to the regulating influence of the free movement of the precious metals which takes place between countries having a fixed metallic standard. Hence has often resulted in such cases violent speculation in bills of exchange payable in irredeemable currency. Thus, when Russia was upon a paper basis, as M. Touzé points out: ‡

"If it happened, as was often the case, that the Russians were indebted abroad and were obliged to remit English money at whatever the price might be on a given date, there was no limit to the price that might be demanded of such debtors; in other words, there was no limit to the variation of the exchanges. It seemed that the relative value of ruble-paper and cash was no longer one of the elements of the problem. Supply and demand alone

* Clare, "The A B C of the Foreign Exchanges," p. 65.
† Clare, "A B C of the Foreign Exchanges," p. 90.
‡ "*Traité Théorique et Pratique du Change*," p. 35.

determined the price, and if the amount of the exportations of the country did not equal the amount of the importations (as was generally the case), and if the demand for bills necessary to pay for the importations exceeded materially the amount of the bills provided by exportation, the balance to be paid could be settled only at the cost of a great sacrifice."

A similar situation existed for several years in Spain at the close of the nineteenth century as the result of the over-issues of the Bank of Spain. The railways, which had heavy remittances to make at certain dates to Paris for interest on their bonds, found that the price of bills of exchange on such dates was forced up materially in Spanish currency. The evil was partially remedied by opening a credit at two leading French banks of 50,000,000 francs in favor of the Bank of Spain. The purchase price of bills of exchange was fixed from time to time by a syndicate committee and the different railways agreed not to bid against each other for bills at a higher price.* This operation involved in effect the borrowing of the amount needed to meet deficiencies in the amount of bills of exchange offered, and for a few months, by careful management on the part of the Bank of Spain in gathering up local bills in different cities, exchange was kept fairly steady; but the credit in Paris was exhausted within a year and the experiment was not sufficiently successful to lead to a renewal of the syndicate.† Upon a nation which founds its monetary system on the quicksands of irredeemable paper heavy burdens are imposed in carrying on business with those nations whose system rests upon the firm foundation of the most exchangeable of the metals.

Foreign Exchange and the Movements of Gold.

In a market where the precious metals move freely, it is obvious that the greater the number of cases in which bankers are able to intervene in the market by the sale and purchase of bills, the smaller will be the number of cases in which gold will have to be exported or imported. The offerings of bills arising exclusively from commercial transactions and payable on sight would simply economize cross-shipments of money, but would require that actual net differences between the amounts due between different countries should be settled in gold. Such differences could not be considerable without reacting sharply upon the rates for the rental of money, and this reaction would in turn influence prices and the cost of production of goods and would eventually check imports of goods and stimulate exports. The introduction of bankers' bills and securities into the market contributes a modifying influence which prevents a sudden and unnecessary operation of these tendencies. If the balance of payments is only temporary, a considerable indebtedness may be allowed to stand unsettled by either commodities or gold until the balance shifts to the other side. This is coming more and more to be the case where there is a large export of national products at one season and large imports of foreign goods at other seasons.

When gold moves, however, from one country to another, it has more distinctly the character of merchandise than in trade within a country, partly because the fact of its being in the form of coin plays little or no part in its value, and partly because the shipment takes the character of a definite merchandise movement which is easier to trace, than in the interplay of demand and supply for the coined medium of exchange within a single coun-

* *Economiste Européen*, (Jan. 23, 1903), XXIII, p. 107.
† *Vide Economiste Européen*, (Jan. 24, 1904), XXV, p. 156.

try. Gold in international trade is one of many articles of merchandise whose movement is governed by the law of reciprocal demand. There are many special causes which lead to a demand for gold, but fundamentally it acts as a sort of arbiter of the relations of other commodities to each other, in the international markets. If the cost of production of cotton goods, for example, in the United States as compared with the cost in Great Britain, is increased by means of expanding credit, a high cost of living, and a consequent successful demand by laborers for high wages, exports of cotton goods from the United States to China may decrease, while similar exports from Great Britain increase. Diminished exports from the United States will result in diminished offerings in New York of bills upon China, or more probably diminished offerings of bills on London through the process of indirect exchange. Foreign exchange in New York will tend to rise towards the gold exporting point. If gold is actually exported, it will be taken from bank reserves or obtained from the Treasury by the redemption of Government notes drawn from bank reserves. The banks finding their reserves diminished will be compelled to curtail their loans, in order to restore the proper legal relation between their obligations and their reserves, and this curtailment of loans will check speculation and invite higher bids than before for the use of circulating capital. Hence will arise the increase in the rate of bank discount for the use of money which has proved such an efficient influence in maintaining a healthy equilibrium between the value of gold and of goods in one country as compared with its value in other countries. The exchange market, with its offerings of bankers' bills and its arbitrage transactions on minute margins, tends constantly to overcome movements away from this equilibrium and to give a uniform value to gold in all markets.

Rates of foreign exchange are often said to be "favorable" when they tend to importations of gold and "unfavorable" when they tend to exportations of gold. These expressions have been criticised by some economists upon the ground that trade is an exchange of goods and that too much gold is no more to be desired than too much coal or iron.* The expressions "favorable" and "unfavorable" might be taken as a mere elision, meaning that a given rate of exchange is "favorable" to the importation of gold or another rate "unfavorable" to its importation. These terms, however, express a deeper truth, which, if sometimes exaggerated, nevertheless represents a fundamental principle of monetary science. This is that the foreign exchanges, by indicating the movement of gold, apply the test of exchangeability to other commodities. There are many movements of gold between nations which are not obviously "favorable" or "unfavorable," but when a nation begins to lose gold which is required for maintaining a sufficient circulating medium and adequate banking reserves, this outflow is properly described as "unfavorable." Such an outflow results, in the case of a sound currency system, from a dislocation of the industries of the country and of the cost of production of the national products in relation to those of other countries. Still more "unfavorable" is such an outflow if it arises from defects in the currency system; for such defects do not usually carry their

* Thus Prof. Bonamy Price says, "This language is profoundly unconscious that gold is a mere tool. It teaches that gold, or coin, or money is an end, a good thing for its own sake, an article worth giving one's wealth to obtain. It is saturated with the Mercantile Theory, so utterly in vain has Adam Smith written."—Currency and Banking, p. 33.

own cure by the "correction" of the exchanges, but prolong the condition of "unfavorable" exchange until a country has parted with all its standard money and severed its monetary system from the regulating influence of the interplay of supply and demand for gold throughout the world.

Under a properly organized monetary system, the state of the foreign exchanges is at once a test of economic conditions and of the equation of demand and supply for other commodities. Money being the most durable and most exchangeable of goods, it is sought when other goods decline in marginal value as the result of their overproduction. Prof. Bastable has well defined the operation of money under such conditions: *

"The equation of international demand can only be maintained through the due adjustment of values in each of the countries concerned; but when money is fully established, so far as internal trade is concerned, values will be estimated in it; it follows that to alter values it is necessary to act on prices; but a change in prices is equivalent to a change in the value of money, and as the value of money is, in a great degree, determined by its quantity, it follows that where the equation of international demand is not established, the most obvious mode of remedying such a state of things is by the transmission of bullion, which will cease when that equation is attained"

CHARLES A. CONANT.

* "The Theory of International Trade," p. 54.

FEDERAL CONTROL OF CORPORATIONS.—In an address delivered before the Jurisprudence Section of the American Social Science Association at the meeting held in Boston on May 11, Judge Wm. J. Gaynor, of Brooklyn, in speaking on "Trusts," said that a demoralizing evil was the issuing of bonds and stock shares by corporations, and particularly trust corporations, in excess of the actual value of their capital.

"This," he said, "was publicly denounced in a speech by the Lord Chief Justice of England a few years ago as organized robbery of the community; and last year the foremost promoter of such fraudulent schemes in England was convicted and sent to prison. Certain of our newspapers thereupon set up a vulgar clamor for the passing of statutes in this country under which similar convictions could be had, not knowing that to set false values on corporate property for the purpose of selling corporate shares is as criminal here as it is in England, and that our penal statutes on the subject are just as broad as those of England. What we need is not more statutes, but such an administration by the courts of those we have as would come from a healthy moral sense in the community at large.

I see no way of removing the evil except by having substantially the same law for all corporations that we now have for banking and financial corporations, namely, requiring that every dollar of the capital stock be paid in in cash at par, instead of allowing stock shares to be issued for property, which makes over-valuation easy and inevitable.

But it is impossible to get any uniformity in the creation and control of corporations so long as all of the States can separately deal with the subject. Many are coming to the belief that the whole subject should be intrusted to the National Government."

NEW COUNTERFEIT $10 NATIONAL BANK NOTE.—On the Denver National Bank of Denver, Colo. Check letter, E; series of 1882; B. K. Bruce, Register; A. U. Wyman, Treasurer; charter number, 3269; bank number, 13503; Treasury number, Y584649. A crude photograph.

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

COLLECTIONS—DEGREE OF DILIGENCE REQUIRED.

United States Circuit Court, W. D. Pennsylvania, December 19, 1903.

BANK OF BAY BISCAYNE vs. MONONGAHELA NATIONAL BANK.

Where drafts are sent from one bank to another for collection and remittance, the measure of duty of the collecting bank is the exercise of ordinary care and reasonable diligence.

Plaintiff mailed to defendant bank for collection on July 1 two drafts, amounting to $1,425.-50, on S. Bros. & Co., who were in good credit. On July 3 three more drafts, aggregating $1,622.41, and on July 5 other drafts amounting to $2,757.85, were drawn on the same company. The drafts were received by defendant, respectively, on July 5, 7, and 9, with directions to collect and remit without protest. The drafts were presented on the days they were received, and the drawees on each occasion stated that they would pay the drafts as soon as they could verify the amounts from the invoices for which the drafts had been drawn, and requested that the drafts be held until such verification could be made. On July 9 plaintiff requested defendant to inform it whether the drafts had been paid, and on the same day defendant answered by telegram that one of the drafts had been paid that day, and that the other would be paid in a few days. On July 10 plaintiff telegraphed defendant to return the drafts if not paid that day, which was accordingly done. Before July 9 plaintiff had permitted the drawers to overdraw their account $3,000, and, after receiving the telegram of July 9, permitted a further overdraft of $2,000; and, by reason of the non-payment of the drafts, plaintiff lost by such overdraft an amount not exceeding $2,000. *Held*, that plaintiff's loss was not chargeable to defendant's alleged negligence in failing to promptly return the drafts after presentation and non-payment.

ACHESON, *Circuit Judge:* The plaintiff, the Bank of Bay Biscayne, located at Miami, Fla., received for collection from Charles Courley & Co. nine sight drafts drawn by that firm upon Somers Bros. Company, of Pittsburg, payable to the order of plaintiff bank. The drawers were shipping fruit from Florida to Somers Bros. Company, at Pittsburg, and these drafts were drawn on account of such shipments. The plaintiff bank sent these drafts for collection to the defendant, the Monongahela National Bank, located at Pittsburg. The first two of the drafts, which together amounted to $1,425.50, were mailed on July 1, and were received by the defendant on July 5; the next three, which together amounted to $1,622.41, were mailed on July 3, and were received by the defendant on July 7; and the other drafts, amounting to $2,757.85, were mailed on July 5, and were received by the defendant on July 9. The several letters from the plaintiff to the defendant transmitting these drafts stated that they were sent "for collection and remittance," with the added direction, "no protest." On July 5, the date on which the first of these drafts were received, they were presented by the defendant Somers

Bros. Company, and the drafts which were received on July 7 were presented on that day by the defendant to the drawees. On each of these occasions Somers Bros. Company stated they would pay the drafts as soon as they could verify the correctness of the amounts thereof by the invoices for the fruit, and requested that the drafts be held until that verification could be made. The drafts received on July 9 were duly presented by the defendant to the drawees. On July 9 the plaintiff sent a telegram to the defendant, inquiring whether the drafts had been paid. The defendant immediately telegraphed to the plaintiff the following answer: "Draft four forty-three paid to-day. Will pay others in a few days." This telegram was received by the plaintiff on the day it was sent, July 9. On the next day, July 10, the plaintiff telegraphed to the defendant to return the drafts if not paid that day, and accordingly this was done. Before July 9 the plaintiff bank had permitted Charles Courley & Co. to overdraw their account with that bank $3,000, and, after the telegram from the defendant of July 9 had been received by the plaintiff bank, it permitted Charles Courley & Co. to further overdraw their account $2,000.

This action was brought to recover damages for the loss the plaintiff had sustained in consequence of these overdrafts; the plaintiff alleging that the overdrafts were permitted because of the defendant's negligence in holding the drafts, and not communicating with the plaintiff sooner. The court submitted to the jury the question of the defendant's alleged negligence, with instructions that the measure of defendant's duty as collecting agent was ordinary care and reasonable diligence. The authorities fully sustain this instruction. (3 Amer. & Eng. Ency. of Law, 805; National Bank vs. Merchants' Bank, 91 U. S. 92, 104, 213.) In this latter case Mr. Justice Strong, speaking for the court, said:

"In the case in hand, the Bank of Commerce, having accepted the agency to collect, was bound only to reasonable care and diligence in the discharge of its assumed duties. (Warren vs. Suffolk Bank, 10 Cush. 582.) In a case of doubt, its best judgment was all the principal had a right to require. If the absence of specific instructions left it uncertain what was to be done, further than to procure acceptance of the drafts and to receive payment when they fell due, it was the fault of the principal. If the consequence was a loss, it would be most unjust to cast the loss on the agent."

In the present instance the drafts were sent "for collection and remittance," and the plaintiff gave no specific instructions, except not to protest. The drawees did not refuse to pay, but, on the contrary, stated that they would pay the drafts as soon as they could verify the correctness of the amounts by the invoices. The drawees were in good business standing. In the exercise of its best judgment, and acting as it believed for the best interest of the plaintiff, the defendant held the drafts a few days, believing that they would be paid. As the defendant was instructed not to protest, it was not thought necessary to report to the plaintiff at once. The evidence, I think, abundantly warranted the jury in acquitting the defendant of negligence.

Even if the court was technically wrong in stating that the drafts were not dishonored by what occurred on July 5 and 7, when they were presented to the drawees, the error was harmless. The defendant had no knowledge, nor any reason to suspect, that the plaintiff was permitting or would permit

Charles Courley & Co. to overdraw their account. The evidence showed that, if the defendant on the evening of July 5 had mailed to the plaintiff a letter of information, it would not have reached the plaintiff until July 9. Now, on that very day the above-mentioned telegrams passed between the two banks, and the plaintiff was fully advised as to the situation. Therefore no harm ensued for want of a letter. Moreover, before July 9 the plaintiff had permitted Charles Courley & Co. to overdraw their account $3,000, and after it was informed of the facts the plaintiff permitted a further overdraft of $2,000. According to my recollection of the evidence, the plaintiff's ultimate loss did not exceed $2,000. So that the plaintiff sustained no loss that, upon any proper view of the evidence, was chargeable to the defendant.

The case of Merchants and Manufacturers' Bank vs. Stafford Bank, 44 Conn. 564, Fed. Cas. No. 9,438, is wide of the mark. There the collecting bank was specially instructed, "Return at once without protest if not paid." This direction to return at once was not observed, and, as a direct result of the failure to comply with this instruction, the plaintiff's loss occurred.

The motion for a new trial is denied.

LIABILITY OF STOCKHOLDER—FAILURE TO HAVE TRANSFER NOTED ON BOOKS OF BANK.

United States Circuit Court, E. D. Pennsylvania, January 28, 1904.

SCHOFIELD vs. TWINING.

T., who owned certain shares of stock in a National bank, sold them to his son, and the latter promised to have them transferred on the books to himself, but failed to do so. *Held*, that T. remained liable as a stockholder.

J. B. McPHERSON, *District Judge*: The First National Bank of Asbury Park went into the hands of a Receiver in February, 1903, and an assessment of $53 per share has since been levied upon the shareholders. This suit is brought to recover the assessment from the defendant, who was a registered shareholder at the time of the bank's failure, and the question to be decided is whether he has offered sufficient evidence to be submitted to a jury in support of his contention that he ought to be relieved from liability in spite of the fact that the shares, in respect of which the assessment has been levied, still stand in his name upon the books of the bank. There is no dispute about the facts. If they justify the inference that he had complied with the legal rules that govern the duty of one who sells such stock, the case should have been submitted to the jury.

On or about November 4, 1902, the defendant, who owned forty shares of stock, sold them to his son A. C. Twining, and received in payment a demand note, secured by certain collateral. At the time the sale was made, A. C. Twining, who was then a director of the bank, promised his father that he would see that the shares were properly transferred. He never fulfilled this promise, however, and the defendant himself made no attempt to have the transfer made. So far as appears, he never spoke to the Cashier or President, or any other officer of the bank, upon the subject, and never inquired whether the stock had actually been transferred. Under these circumstances, it seems to me that the authorities clearly decide that the defendant's liability continued.

It is needless to discuss the various cases in which the stockholder's double

liability has been considered. The latest decisions are Earle vs. Carson, 188 U. S. 42, and Rankin vs. Fidelity Trust Co. 189 U. S. 242, where other cases upon the subject are referred to. It seems to me to be apparent from the facts above stated that the defendant intrusted the transfer of these shares to his son as his agent, and is therefore responsible for his agent's default, or, if he did not make the son his agent, he confided in the promise that the shares would be transferred, and took the chance that it would be carried out. I do not think the fact important that the son was a director of the bank at the time. It is probably true that he was an influential personage in the councils of the board, but he was not the transfer agent of the stock, and could not himself have made the requisite entries upon the books of the bank. Merely as director, he had no authority to direct the Cashier to make the transfer. His right to give such an order, or make a request of a similar character, was based upon the fact that he had bought the shares, and was entitled, as the purchaser, to have them transferred, or upon the fact that he was the seller's agent for the specific purpose of having the transfer made upon the books. In the most favorable aspect for the defendant, he was his father's agent; and his failure to request the proper officer to transfer the shares was merely the failure of an agent to perform a duty that he had promised his principal to perform, and for such default the principal must bear the consequences.

Moreover, there is not a particle of evidence in the case to show that the bank was solvent at the time the transfer took place, or (what is much more important) to show that the defendant honestly believed it to be solvent. For all that appears, the defendant may have known that the bank was then in failing circumstances, and may have transferred the stock for the purpose of evading the double liability. In all the cases that have been decided upon this subject, so far as I know, a registered stockholder has been required to offer evidence to show his good faith at the time the sale was made. Registry makes him *prima facie* liable, and the burden of proof is upon him to show a sale in good faith, and a proper attempt to have the transfer made upon the books of the bank.

As I think, the plaintiff was entitled to the verdict which the court directed the jury to render, and the motion for a new trial is accordingly refused.

TAXATION OF SAVINGS BANKS—NEW YORK STATUTE.

Court of Appeals of New York, February 23, 1904.

PEOPLE, *ex rel.* BANK FOR SAVINGS IN THE CITY OF NEW YORK, vs. MILLER.

Under the Tax Law of New York, the Comptroller, in ascertaining the value of the surplus fund and undivided earnings of a Savings bank, must appraise the bonds and securities at their market value whenever such value is less than the par value.

This was an action by the people, on the relation of the Bank for Savings in the city of New York, against Nathan L. Miller, Comptroller of the State of New York.

HAIGHT, *J.:* We are satisfied with the determination of the appellate division as to all the items and questions in controversy, with one exception. The Comptroller, in ascertaining the value of the relator's surplus and undivided earnings, appraised the bonds belonging to the relator at their face value, notwithstanding the fact that it appeared that the market value of

some of the bonds was less than their face value, and that the difference between such valuations amounted to the sum of $296,500. The action of the Comptroller in so valuing the relator's securities was based upon his construction of the statute, to the effect that all of the securities of the relator were required to be assessed by him at their face value.

The Legislature, by chapter 117, p. 296, of the Laws of 1901, added a new section, known as 187b, to the tax law (Laws 1896, p. 859, c. 908), which provides as follows: "Franchise Tax on Savings Banks. Every Savings bank incorporated, organized or formed under, by or pursuant to a law of this State, shall pay to the State annually for the privilege of exercising its corporate franchise or carrying on its business in such corporate or organized capacity, an annual tax which shall be equal to one per centum on the par value of its surplus, and undivided earnings."

It will be observed that the statute contains no provision for the valuation of the securities held by the bank at their "face value," but instead thereof the provision is "the par value of its surplus and undivided earnings." The surplus may consist of property which has no face value. It may consist of real estate. Savings banks are authorized to invest the money of depositors in mortgages upon real estate, and it is a matter of common knowledge that many Savings banks throughout the State have had to bid in upon foreclosure sale many parcels of real estate upon which loans had been made. So that, while it may be conceded that the words "par value" ordinarily are to be given the same meaning as "face value," when applied to bonds and stocks having a face value, yet, when used as applying to the surplus and undivided earnings, and not limited to bonds and stocks, the meaning may be very different.

In determining the legislative intent, it becomes important to consider what was meant by "surplus and undivided earnings." By referring to the banking law (chapter 689, p. 1842, of the Laws of 1892), we find provisions authorizing the trustees of Savings banks to accumulate a surplus fund for the security of depositors—not, however, to exceed fifteen per cent. of the deposits. They are also to regulate the rate of interest or dividends—not, however, to exceed five per centum per annum upon the deposits—and, in case the surplus amounts to more than fifteen per cent. of the deposits, the trustees are required at least once in three years to divide such accumulation by an extra dividend equitably among the depositors. (Section 123.)

It will thus be seen that the surplus in Savings banks is the fifteen per cent. accumulated over and above the amount due depositors, and the undivided earnings in excess of such accumulation, and that, as to the undivided earnings, they are required to be divided among the depositors as often as once in three years. It is upon this surplus and undivided earnings that the Legislature has authorized the imposition of a franchise tax equal to one per cent. thereof, and, in ascertaining the value thereof, the statute expressly provides that "in determining the per cent. of surplus held by any Savings bank its interest-paying stocks and bonds shall not be estimated above their par value or above their market value if below par." (Section 124.)

It appears to us that these statutes are *in pari materia;* that in enacting the tax law of 1901, providing for a franchise tax upon the surplus and undivided earnings of a Savings bank, the Legislature had in mind and intended to impose the tax upon the surplus and undivided earnings provided for by

the banking law, and therefore the provisions of that law control the manner of determining the value of the surplus to be taxed. The provisions of the statute that interest-paying stocks and bonds shall not be estimated "above their market value, if below par," is just and reasonable. It may be that this bank is possessed of other bonds whose market value is above par, and that the amount thereof would equal or exceed the amount of the loss by reason of those whose value is below par.

But this fact, if such it be, cannot affect the question. The next bank assessed may be possessed of securities, none of which may have a value above par, and many of which may have a value very greatly below par. It has never been the legislative purpose to require property valued for assessment to be appraised above its actual and true value, even if it had the power to do so, and we do not think that such was the legislative intent in enacting the statute in question.

The order of the appellate division and the determination of the Comptroller should be further modified by deducting from the valuation of the surplus and undivided earnings the sum of $296,500, and the tax should be computed upon the balance remaining, and the assessment, as so modified, should be affirmed, without costs of this appeal to either party.

DUTY OF DEPOSITOR TO EXAMINE PASS BOOK—WHAT EXAMINATION SUFFICIENT—EXAMINATION BY CLERK.

Court of Appeals at St. Louis, Mo., December 15, 1903.

KENNETH INVESTMENT COMPANY *vs.* NATIONAL BANK OF THE REPUBLIC OF ST. LOUIS.

To prove negligence in paying checks purporting to be drawn by plaintiff against his account with defendant bank, it is competent to show that a check merely stamped with plaintiff's name, but not signed by any one, was paid, though the money drawn by it was not converted by the forger, but used by plaintiff.

Ten days cannot be arbitrarily fixed as sufficient time, under all circumstances, for a bank depositor to examine his pass book, after it has been balanced and returned to him with canceled vouchers.

A bank depositor is not bound by the examination of its pass book, nor to be treated as though it had made none, where its clerk to whom it intrusts such duty and forged checks, which had been paid, if ordinary care was used in selecting the clerk.

BLAND, *P. J.:* This is the second appeal of this case. The opinion on the former appeal will be found in 96 Mo. App. 125, to which we refer for a statement of the controlling facts in the case. The issues on the retrial were submitted to the court without the intervention of a jury. The finding and judgment of the court were for the plaintiff. Defendant appealed. On the second trial the date and other particulars of all the checks forged by Chatard and paid by the defendant bank were brought out, and additional evidence was heard as to the character of the forgeries, and the degree of diligence exercised by defendant's paying teller to detect the forgeries at the time the checks were paid by him.

The plaintiff, for the purpose of proving negligence on the part of the teller, offered and read in evidence, over the objection of the defendant, a check for $50 that was stamped with plaintiff's name with a rubber stamp, but was not signed by Davis or any other person. It is admitted that the money drawn by this check was not converted by Chatard, the forger, but

was used by plaintiff in its business. For the reason that the money drawn on this check was properly applied, it is contended by defendant that it was inadmissible to show negligence in the payment of the forged checks. We do not think the check was competent to show negligence generally on the part of the paying teller, but was competent as tending to prove negligence in paying checks purporting to be drawn by the plaintiff against its account with the defendant bank.

The court declared the law to be that what is a reasonable time in which a depositor in a bank should examine his pass book, after it had been balanced and returned to him with the canceled vouchers, is a question of law, but refused to declare, as a matter of law, that ten days was a reasonable time in which to make such examination. We do not think ten days should be arbitrarily fixed as the time for making the examination in every case, but that it is a reasonable time in which to make the examination when the depositor and bank reside in the same town or city, and so held when the case was here before, and also in the case of McKeen vs. Bank, 74 Mo. App. 281.

The defendant moved the court to declare the law to be, in effect, that while the plaintiff was not bound by any of the examinations of the pass book made by Chatard, if at the time of such examinations it contained any of his forged checks, yet it was in no better position than if it had made no examination whatever, and for that reason could not recover, but the court refused to so declare. In Wachsman vs. Columbia Bank, 8 Misc. Rep. 280, it is held that the depositor exercised ordinary care by intrusting the duty of examining the pass book and vouchers to the usual agent (the bookkeeper) in the ordinary course of business, although he (the bookkeeper) was a forger, and that the depositor was not estopped to assert the forgeries by mere delay in discovering them; that the delay did not make the account a stated or conclusive one, and only cast upon him the burden of impeaching it for mistake, and proving the checks were forged. In Weisser's Adm'rs vs. Denison, 10 N. Y. 68, checks forged by the confidential clerk of the depositor were paid by the bank, and charged to the depositor in his pass book, with the forged checks and others, and returned to the depositor; and the clerk, at the request of the principal, examined the book and reported it correct, and the principal did not discover the forgeries until several months afterwards, when he immediately notified the bank. In an action to recover the balance, it was held the bank could not retain the amount of the forged checks; that to deny a recovery would be, by a legal fiction, to charge the depositor with the tortious and even criminal acts of the servant.

In Frank vs. Chemical National Bank, 84 N. Y. 209, under a somewhat similar state of facts, it was held that plaintiff would not be estopped from questioning the accuracy of the account, and that defendant was liable for the balance, deducting the forged checks.

In McKeen vs. Bank, 74 Mo. App. 281, and Quattrochi Bros. vs. Bank, 89 Mo. App. 500, we held that the depositor was bound to examine his pass book, when written up and returned to him with the canceled vouchers, within a reasonable time, and to give prompt notice to the bank of any errors, frauds, or mistakes therein. It seems to us this is a reasonable requirement, and that if a forged check is returned, with the pass book, to the depositor, charged to his account, which through his negligence he fails to discover, and the bank suffers damages thereby, he, rather than the bank, should suffer

the loss. But we have never held, and do not think it sound law to hold, the depositor estopped to charge the bank with the forged checks, if he has used ordinary care in the examination of his pass book and returned checks, and failed to discover the forged checks and to give notice thereof; nor do we think he should be estopped if he fails to make any examination whatever, provided it is shown that the bank was negligent in paying the forged checks.

To hold otherwise, it seems to us, would be a serious modification, of the rule thoroughly grounded in the jurisprudence of both England and this country since the decision in 1762 of Lord Mansfield in Price vs. Neal, 3 Burr. 1354, which is, "If a bank pay the money of its depositor on a forged check, no matter under what circumstances of caution, or however honest in the belief in its genuineness, if the depositor himself be free of blame and has done nothing to mislead the bank, all the loss must be borne by the bank." (U. S. Bank vs. Bank of Ga., 10 Wheat. 333; National Park Bk. vs. Ninth National Bk., 46 N. Y. 77; Hardy & Bros. vs. Chesapeake Bk. 51 Md. 562; Smith vs. Mercer, 6 Taunt. 76; Redington vs. Woods, 45 Cal. 406; Howard & Preston vs. Mississippi Valley Bk. of Vicksburg, 28 La. Ann. 727; Mackintosh vs. Eliot National Bk., 123 Mass. 393; First National Bk. vs. State Bk., 22 Neb. 769; Brown vs. Daugherty [C. C.] 120 Fed. 526; 2 Daniel on Negotiable Instruments [3d Ed.] sec. 1359–1655; 2 Morse on Banks and Banking, 463.) A rule that would require that the examination should be made by the depositor in person, or that would charge him with the fraud of his trusted employee, should he intrust to him the examination, would be a harsh one, and at war with the relation which a bank sustains to its depositor, and very much weaken the salutary rule that "a bank, in paying money on the check of its depositor, does so at its peril, and takes the risk of the check being genuine."

There was evidence pro and con as to the character of the forged checks, and as to the degree of diligence exercised by the defendant's paying teller in cashing the checks.

The court, at the instance of plaintiff, declared the law as follows:

"(4) If the court, sitting as a jury, believes and finds from the evidence that the checks in question, aggregating $1,093, were forgeries, then the plaintiff is entitled to recover said amount, less $78 paid into court, with interest at six per cent. on the balance ($1,015) from October 8, 1894, the date of the institution of this suit, unless it believes and finds from the evidence that defendant used reasonable care and skill in detecting said forgeries before paying such checks.

And unless the court further finds and believes from the evidence that the plaintiff did not within a reasonable time after June 13, 1894, when its bank book was balanced, make an examination of its returned checks, pass book, and check book, to ascertain and determine if said check for $78 was a forgery, and notified defendant thereof, and that by reason of said failure on the part of plaintiff the defendant was especially damaged thereby.

In regard to such examination, and the duty of plaintiff to make the same, the court declares the law to be that the plaintiff was not wanting in proper care in the examination of its said accounts, if it intrusted to some competent person the duty of making that examination for it.

And the court further declares the law to be that if such person was the bookkeeper of plaintiff, and that he forged said checks, then the knowledge

of such person (in this case, one Chatard), the bookkeeper of plaintiff, gained in the commission of such forgeries, or as bookkeeper of plaintiff in handling such checks, pass book, and bank book, was not imputable to plaintiff.

And if said Chatard withheld and failed to disclose the knowledge which he had thus acquired from plaintiff, then plaintiff is not bound by the knowledge which Chatard had thus acquired.

And the court further declares the law to be that if plaintiff, in selecting its bookkeeper to have charge of its pass book, check book, and returned checks, used ordinary care (that is, the same care which a person of ordinary prudence would use under similar circumstances), then the plaintiff was not guilty of negligence in intrusting such duty to its bookkeeper. Nor was the plaintiff required, after imposing such duty upon its bookkeeper, to go further, and make a personal inspection, through its officers, of such books and checks aforesaid, but, in imposing such duty on such bookkeeper, plaintiff acted with ordinary prudence; that is, such prudence and care as a person in like circumstances would use and employ."

We think this instruction is in harmony with the former decisions of this court, and that the last paragraph is supported by the decisions of the New York courts, *supra*, and is supported by reason and the practice of merchants to intrust the examination of their pass books to a trusted employee.

The finding and judgment are supported by the law and the evidence, and the judgment is affirmed.

TAXATION OF BANKS AND BANK STOCKS—STATUTE OF MISSOURI.

Supreme Court of Missouri, Division No. 1, February 10, 1904.

STATE, *ex rel.* MILLER, COLLECTOR, VS. SHRYACK.

Under the statute of Missouri, the real estate of a bank is to be assessed against the corporation, the personal property is not to be assessed at all, and the shares of stock are to be assessed in the names of the shareholders.

This rule applies to State banks as well as to National banks.

This was an action under section 987, Rev. St. 1899, by the collector of Johnson county to collect from the defendant, as a stockholder, director and trustee in liquidation of the Farmers and Merchants' Bank, of Warrensburg, the sum of $385.11, the taxes for 1899 that were assessed against the bank. After the usual and necessary averments in ordinary tax cases, the petition alleges that on April 24, 1899, the bank dissolved, leaving these taxes unpaid, and that the defendant was a director and a stockholder, owning ten shares, of the par value of $100 each, and that he received $1,000 as his share of the capital stock upon the dissolution, and that, as such stockholder and trustee, the sum of $30,000 of the money of the bank passed through his hands to the stockholders, and hence, under the statute, he is liable for these taxes. The answer admits that the bank was a corporation organized under the laws of this State, and that the defendant was a director and stockholder, as charged, and then denies generally the other allegations in the petition.

MARSHALL, *J.* (omitting part of the opinion): The question, therefore, is whether the act of 1895 has so changed the law as to require all the property of a corporation to be assessed direct to the corporation, in the corporate name, instead of having the shares assessed to the shareholders personally, and only the real estate assessed to the corporation. At first blush, it might

seem that the act of 1895 intended to make such a change. The fact that the first sentence of the act of 1891, and of all prior laws, required the property of corporations to be assessed and taxed as the property of individuals, and that the act of 1895 struck out the words "as the property of individuals," and substituted therefor the words "as such companies or corporations in their corporate name," and that the act of 1895 struck out the provision of the act of 1891 which required the president of the corporation to furnish "the names of all persons who hold" stock therein, might, without further analysis of the act, furnish some foundation for the contention that such was the intention of the act of 1895. But in spite of those changes in the phraseology of the law, a closer scrutiny of the act of 1895 will clearly demonstrate that such was not the intention of the lawmakers, or that, if it was, they wholly failed to carry that intention into effect, or to so provide. Several conclusive reasons prove that this is so. In the first place, if the act of 1895 intended to have all corporate property assessed direct to the corporation, the lawmakers would have said so in so many words, and would have stopped with the first sentence of that act. If such had been their intention, no possible reason or sense can be discerned for enacting the balance of the act. If the property was meant to be assessed against the corporation, the provision requiring the President to furnish a list of the shares of stock, and their face value, would be perfectly useless. So, likewise, would be the provision requiring the value of the real estate to be deducted. For in such event the real estate, as well as the personal property, would be assessed against the corporation direct; and who were the stockholders, or what was the value of their shares, would be of no moment.

The fact, therefore, that these provisions were left in the act of 1895, clearly shows that the Legislature did not intend to make the change suggested. But there are other cogent reasons for believing that the Legislature did not so intend. It will be observed that prior to the act of 1891 nothing was said in the law about deducting the value of real estate, and assessing the value thereof against the corporation direct, and that the act of 1891 provided for the first time that the value of the real estate and fixtures should be so deducted, and that the act of 1895 omitted the provision as to the fixtures, and left it so that only the value of the real estate should be deducted.

There was a reason for such changes, and it was this: Section 5219, Rev. St. U. S. (U. S. Comp. St. 1901, p. 3502), under which alone a State has any power to tax National banks, provides as follows: "Nothing herein shall prevent all the shares in any association from being included in the valuation of personal property of the owner or holder of such shares, in assessing taxes imposed by authority of the State within which the association is located; but the Legislature of each State may determine and direct the manner and place of taxing all the shares of National banking associations located within the State, subject only to two restrictions, that the taxation shall not be at a greater rate than is assessed upon other moneyed capital in the banks of individual citizens of such State, and that the shares of any National banking association owned by non-residents of any State shall be taxed in the city or town where the bank is located, and not elsewhere. Nothing herein shall be construed to exempt the real property of the associations from either State, county or municipal taxes, to the same extent, according to its value, as other real property is taxed." Prior to the passage of this act, the Federal Supreme

Court had uniformly held that no State could tax any property or share of a National bank, because such banks were instruments of the national Government. The Supreme Court of the United States holds that there is property in shares of stock which is distinct from the property of the corporation. (People vs. Tax Com'rs, 4 Wall. 244; Bank vs. Tennessee, 161 U. S. 134.)

The section of the Federal laws quoted has undergone adjudication by the Supreme Court of the United Sates in many cases, but for the purposes of this case it is only necessary to refer to Aberdeen Bank vs. Chehalis Co. 166 U. S. 440; Owensboro National Bank vs. Owensboro, 173 U. S. 664, and Third National Bank of Louisville vs. Stone, 174 U. S. 432.

It is sometimes said that there is a conflict between the first and the two last cases cited, but a critical examination of those cases shows that it is not only a mistake to so construe them, but that the Supreme Court of the United States did not so regard them, for it was not even considered necessary in deciding the second case to refer to or discuss the first case, and the third case is based solely on the second. The rule announced in those cases is that "this section, then, of the Revised Statutes, is the measure of the power of a State to tax National banks, their property and franchises. By its unambiguous provisions the power is confined to a taxation of the shares of stock in the names of the shareholders, and to an assessment of the real estate of the bank. Any State tax, therefore, which is in excess of, and not in conformity to, these requirements is void." Accordingly, a tax upon the personal property of a National bank to the bank, and not upon the shares of stock in the names of the shareholders, was held to be void. That court further holds that the form, as well as the substance, of the statute must be followed, and that no equivalents are permissible.

The underlying reason of the rule is that the capital and much of the property of a National bank are exempt from taxation by the Federal laws, and the shares of stock and the real estate are not exempt, but may be taxed by the express permission of Congress. This clearly shows why the lawmakers in Missouri have always provided for taxing the shares of stock in a corporation in the names of the shareholders, instead of laying the tax direct upon the property of the corporation. This also explains why the act of 1891 provided for deducting the value of the real estate and fixtures, and assessing them against the bank. The lawmakers were trying to arrange it so as to conform to the National Banking Act. They made a mistake in assessing fixtures as well as real estate against the bank, and one of the manifest purposes of the act of 1895 was to correct the mistake, and make the State statute conform to the Federal statute, so as to tax the real estate alone to the corporation, and to lay a tax on the shares of the stockholders in the names of the stockholders, and not to tax the personal property of the bank at all. It is too clear to admit of doubt that this was the purpose and intention of the act of 1891, as well as of the act of 1895. The lawmakers were trying to arrange it so as to reach the taxes on National banks authorized by the Federal statute quoted. Any other construction placed upon this act would have the effect to exempt all real estate and shares of stock in a National bank from taxation, and clearly the Legislature had no such intention.

In spite, therefore, of the change of the language employed in the first sentence of the law the conclusion is inevitable that the true meaning of the act of 1895 is that the real estate shall be assessed against the corporation,

the personal property of the corporation shall not be assessed at all, and the shares of stock shall be assessed in the names of the shareholders. Thus the domestic corporations and the National banks are put on the same basis, there is no discrimination, and the letter and form and substance of the power conferred by the Federal statute are observed. The bank in question is a domestic bank, but the law is the same as to it that it is as to National banks. After the assessment is thus made against the shares of stock in the names of the shareholders, it is legal to make the bank pay the tax, and recover it from the stockholders. (Section 9155 Rev. St. 1899; National Bank vs. Commonwealth, 9 Wall. 353; Aberdeen Bank vs. Chehalis Co. 166 U. S. 440.)

The tax in this case was against the property of the bank of every kind, direct, and not as the statute requires. The assessment, therefore, was void.

The judgment of the circuit court is right and is affirmed. All concur; Brace, *P.J.*, in the result.

LOANS TO OFFICERS OF BANK—RESOLUTION AUTHORIZING—WHEN SUFFICIENT.

Supreme Court of Iowa, February 12, 1904.

GERMAN SAVINGS BANK OF DES MOINES vs. DES MOINES NATIONAL BANK.

The statute of Iowa which provides that all loans by a bank to its officers shall be made only by action of the directors in the absence of a party applying therefor, requires that each particular loan shall be passed upon by the board of directors, and a general resolution authorizing loans to officers and directors the same as to other persons, is not sufficient.

This was an action to recover money alleged to have been obtained by fraud. The ground of the alleged fraud consisted in the use of the funds of the Savings bank to pay notes of its Treasurer held by the defendant, a National bank.

LADD, *J.* (omitting part of the opinion): At the second meeting of the board of directors of the Savings bank, March 7, 1893, a resolution was spread upon its records "that the managers of the bank be and they are hereby authorized to make loans to the members of the board of directors, including the President and Cashier of the bank direct, and on their indorsement the same as other persons." The bank was then left in practical control of the Cashier, who, notwithstanding the prohibition of the statute, proceeded in that capacity to deal with himself, individually and as treasurer of the oatmeal company, "the same as other persons."

Under section 17 of chapter 60, p. 52, of the Acts of the Fifteenth General Assembly, "all loans made to said trustees, officers, servants and agents of the bank shall be upon the same security [as] required of others, and in strict conformity to the rules and regulations of the bank; and all such loans shall be made only by the board, and shall be acted upon in the absence of the party applying therefor."

Practically the only change from this in the present statute is the requirement that the action of the board be spread upon the records. (See section 1869 of the Code.) The manifest purpose of the law is to prohibit any loan to an officer of the bank unless that particular loan had been passed upon by the board of directors. Every such loan is to be separately considered, and the propriety of making it determined by the board, independently of any

action on the part of the applicant. He is excluded from its deliberations in order to insure freedom of inquiry and discussion. Even with these safeguards, the influence of intimate association is often more potent than business discretion. Indeed, the confidence ordinarily reposed in the managing officers of a bank both by directors and the public is such that to permit a loan of its money, or that due to depositors, to them, under any circumstances, seems of doubtful propriety. It is the most frequent cause of failure, and the occasion of great loss to patrons whose deposits many times exceed the capital stock of the bank. But it is enough now to say that any loan to an officer of the bank not passed upon by the board of directors was illegal, and a blanket resolution like that adopted will afford no protection.

Whether this would be true without the statute, see West St. Louis Savings Bank vs. Shawnee County Bank, 95 U. S. 557; Zane on Banks and Banking, sec. 107; Claflin vs. Bank, 25 N. Y. 293; Lee vs. Smith, 84 Mo. 309.

RIGHT OF STOCKHOLDERS OF A NATIONAL BANK TO INSPECT ITS BOOKS.

Supreme Court of Utah, February 9, 1904.

HARKNESS vs. GUTHRIE.

The right of a stockholder of a National bank to inspect its books is a common law right, and not dependent upon a State statute; and it is not impaired by the provisions of the National Bank Act that "no association shall be subject to any visitorial powers other than such as are authorized by this title or are vested in the courts of justice."

BASKIN, *C. J.:* On the application of the plaintiff, an alternative writ of mandamus was issued, commanding the defendants to permit the plaintiff to inspect all of the books, accounts and loans of the Commercial National Bank of Ogden City, Utah, or show cause on April 25 why they had not done so. On the day mentioned the defendants appeared, and, in answer to plaintiff's affidavit and the alternative writ, alleged "(1) that this court had no jurisdiction to hear or determine any of the matters complained of by plaintiff, or any issue that could be joined thereby; (2) that the matters complained of by plaintiff do not constitute a cause of action of any kind against these defendants, or any of them; (3) that the plaintiff is not entitled to the relief prayed for in his said action, or any relief, and that the court has no jurisdiction to grant the relief which plaintiff seeks."

The material facts alleged in the affidavit of the plaintiff upon which the alternative writ was issued, and upon which at the hearing a mandatory writ was granted, are as follows: That the defendants are the officers of the bank, and that the books, accounts and notes are in possession and under the control of defendants; that the plaintiff is a stockholder in said bank, and, as such, "on or about February 1, 1903, made a demand upon said directors, and also upon said J. W. Guthrie, as President, A. R. Heywood, Vice-President and general manager of said bank, and also upon R. T. Hume, as Assistant Cashier of said bank, for permission to permit affiant to inspect all books, accounts and loans of said bank, and affiant made demand for such inspection at such time or times as would not interfere with the proper conducting and operating of said bank; that each and all of said persons refused permission to affiant to inspect the books, accounts and loans of said bank at any time or at all, and still refuses to permit such inspection; that he seeks this inspection for the purpose of ascertaining the value of his stock in said bank, and

for the purpose of ascertaining whether the business affairs of said bank have been properly conducted according to law; that loans have been made to a favored few of the patrons of said bank of more than one-tenth of the capital stock to each of said patrons, which is contrary to law; and that he believes the said directors and officers of said bank have been guilty of other irregularities, which can only be stated after an inspection of the books, accounts and loans of said bank."

The only question involved is shown by the following quotation from appellants' brief, to wit: "At the trial the only issue presented was whether a stockholder of a National bank created and controlled by acts of Congress possesses the same powers and rights of access to an inspection of the books as are possessed by the stockholders of other corporations."

The right of inspection is a common-law right, and, unless restricted by statute or the corporation's charter, will not be denied when sought by a stockholder for a proper purpose. The provision that "all books of any corporation shall at all reasonable hours be subject to the inspection of any *bona fide* stockholder," contained in section 329 of the Revised Statutes of Utah of 1898, does not restrict the common-law right, but is in harmony therewith. Therefore, unless, as claimed by appellants' counsel, inspections of the character sought in this case are prohibited by the following provisions of the National Bank Act (section 5241, Rev. St. U. S. [U. S. Comp. St. 1901, p. 3517]), viz., "no association shall be subject to any visitorial powers other than such as are authorized by this title, or are vested in courts of justice," the writ in question was properly granted.

Visitorial powers and the stockholders' right of inspection are not one and the same thing. In 7 Am. & Eng. Ency. Pl. & Pr. 855, visitation of corporations is correctly defined, and its purposes aptly stated as follows: "By 'visitation of corporations' is meant the act of examining into its affairs. The person authorized to make such examination is called the visitor. The purpose of visitation is to supervise, direct and control the management of the corporation." Numerous cases and authorities are cited which support the text. (See, also, text and cases cited in 1 Abbot's Digest of Law of Corp. 873.)

The visitorial power over private eleemosynary corporations vests in the founder or his heirs, but they may appoint others to act. In the United States visitorial power over all except private eleemosynary corporations existing under and by virtue of the laws of a State vests in the State, and, as to those formed under an act of Congress, it vests in the general Government, and is exercised through the medium of the courts, or by visitors appointed for that purpose by or in pursuance of statutes.

It is correctly stated in Merrill on Mandamus, sec. 175, that "visitors of corporations have power to keep them within the legitimate sphere of their operations, and to correct all abuses of authority, and to nullify all irregular proceedings.

In America there are very few corporations which have private visitors, and, in the absence of such, the State is the visitor of all corporations."

The common-law right of inspection by the stockholder is a personal privilege arising from his ownership of stock of the corporation, and can be exercised for any legitimate purpose beneficial to him, without any special appointment for that purpose; but he cannot, in its exercise, as the State,

through the medium of the courts, or a visitor, may do, interfere with or direct the general operations of the corporation. The difference between the visitorial powers over corporations and the stockholder's right of inspection is obvious.

We are clearly of the opinion that section 5241 of the Revised Statutes of the United States, before quoted, does not apply to, or in any way affect, the common-law right of stockholders. (Winter vs. Baldwin, 89 Ala. 483, 7 South. 734; Matter of Tuttle vs. Iron Nat. Bank, 170 N. Y. 9.)

The judgment granting the writ of mandamus is affirmed, with costs.

Bartch and McCarty, *JJ.*, concur.

NOTES OF CANADIAN CASES AFFECTING BANKERS.

[Edited by John Jennings, B. A., LL. B., Barrister, Toronto.]

STATUTE OF LIMITATIONS—SIMPLE CONTRACT DEBT—CONVERSION INTO SPECIALTY DEBT—PAYMENT OR ACKNOWLEDGMENT OF DEBT—EVIDENCE OF.

BANK OF MONTREAL vs. LINGHAM (Ontario Law Reports, Vol. 7, page 164).

This was an appeal from the judgment of MacMahon, *J.*, dismissing the plaintiff's action. The facts sufficiently appear in the judgment of Moss, *C. J. O.*, following:

JUDGMENT (MOSS, *C. J. O.*, OSLER, MACLENNAN, GARROW and MACLAREN): As I understand the plaintiff's claim in this action they are not seeking payment of the amount of the two promissory notes for $35,000 and $25,000 respectively in addition to the sum of $58,875.52 mentioned in the deed of June 7, 1884.

The amount claimed is the sum of $58,875.52, principal money, with interest at six per cent. per annum from June 7, 1884, to August 1, 1896, as of which day credit is given for $6,500, leaving $95,295.77, on which sum interest is computed from August 1, 1896, to the date of the commencement of the action.

At the date of the deed of June 7, 1884, the defendant was indebted to the plaintiffs in the sum of $60,000 in respect of the two promissory notes, and in the further sum of $28,875.52 upon an open account consisting of advances to the amount of $108,906.63 upon which $80,031.11 had been paid previously to the date of the deed. This made the whole indebtedness to the plaintiffs up to that time to be the sum of $88,875.52, and in addition to other securities the plaintiffs held a guarantee by Job Lingham to the amount of $30,000. The defendant was also indebted to his father, Job Lingham, in the sum of $10,000, in security for which he held a conveyance of certain lands, the property of the defendant.

While matters stood thus, Job Lingham, the plaintiffs, and the defendant entered into the deed June 7, 1884. Under it the lands of the defendant theretofore held by Job Lingham were vested in a trustee for the plaintiffs, with power to make sale of them under certain circumstance. The lands continued to be so held until after the death of Job Lingham in 1889. In the year 1893 the plaintiffs were pressing for payment and taking the first steps toward a sale of the lands. They proposed to the defendant that in order to save expense

and trouble over sales under the terms of the deed of June 7, 1884, the defendant and his brothers and sisters, who were the heirs and next of kin of Job Lingham, should join in releasing their interests in the lands to the plaintiffs. Thereupon instruments of release were prepared by the plaintiffs and ultimately executed by the defendant and all the other heirs and next of kin of Job Lingham. The instrument executed by the defendant bears date of July 24, 1893. It recites its purpose as follows: "Whereas, by a deed made the 7th day of June, A. D. 1884, the lands and premises hereinafter mentioned were conveyed to Robert Richardson, of the city of Belleville, Manager of the Bank of Montreal, upon certain trusts in the said deed set forth; and, whereas, by the said deed it was provided that the said lands should be sold upon certain notice being given; and, whereas, in order to avoid the expense of a sale as provided by the said deed the said party of the first part (the defendant) has consented to execute these presents and to release to the party of the third part (the plaintiffs) all his interests in the said lands." Then follows a grant to the plaintiffs of the lands with covenants for the right to convey, quiet possession, further assurance, and against incumbrances and a release of all claims. And the defendant's wife joined to bar her dower in the lands.

The plaintiffs afterwards sold a part of the lands and received $5,500 therefor, for which, together with a sum of $1,000 alleged to be the value of the remainder of the lands, they gave credit to the defendant as of August 1, 1896.

The plaintiffs' contentions are (1) that the effect of the deed of June 7, 1884, was to create a specialty debt; (2) that if otherwise, the effect of the recitals in the deed of July 24, 1893, was to incorporate the recitals of the deed of June 7, 1884, and was an acknowledgment of the debt; (3) that the deed of July 24, 1893, operated as an assignment or transfer to the plaintiffs of the defendant's interest in the claim of his father's estate to the sum of $10,000, the first charge upon the lands under the deed of June 7, 1884, and that this was a payment on account of the debt owing by the defendant to the plaintiffs and operated to prevent the Statute of Limitations from barring the claim; and (4) that the receipt by the plaintiffs of the sum of $5,500 on account of a sale of lands or timber under the deed of June 7, 1884, was a payment and acknowledgment by the defendant of the indebtedness so as to take it out of the operation of the Statute of Limitations.

In my opinion all these contentions fail.

A careful consideration of the terms of the deed of June 7, 1884, in the light of the surrounding circumstances as disclosed by the evidence, leads me to the conclusion that it was not the purpose or intent of the parties to create a covenant on the defendant's part to pay the sum of $58,875.52 therein mentioned. As before stated the defendant's whole indebtedness to the plaintiffs at that time was $88,876.52, and in respect of this the evidence indicates that the plaintiffs held a guarantee from Job Lingham for $30,000. Their object was to obtain a security for the remaining $58,875.52 by charging that sum on the lands of the defendant then held by his father as security for $10,000 owing to him by the defendant. And the deed was prepared and entered into for that purpose. As preliminary thereto it is recited that the defendant is indebted—as was the fact—to Job Lingham in the sum of $10,000, and to the plaintiffs in the sum of $58,875.52, but these recitals are inserted as lead-

ing to the following recital setting forth the agreement that had been arrived at as to giving security, viz., that it had been agreed that Job Lingham should convey the lands to the trustee to be held by him in trust to secure first the payment of the $10,000 to Job Lingham and next the sum of $58,875.52 with interest thereon at seven per cent. per annum, such payments to be made and the said trusts and powers to be such as are thereinafter specified. It is to be observed that it is not said that the payments are to be made by the defendant, but "as are hereinafter specified," and the deed shows, further on, that it is out of the proceeds of the lands that they are to be made. Then follows the grant of the lands with provisions for their sale by the trustee in the manner specified, and the proceeds are to be applied, after payment of the charges and expenses in payment of Job Lingham's claim, the balance to be handed over in payment of the plaintiffs' claim, and any residue to the defendant. It seems plain that the only payment of the debt and interest provided for by the deed is payment out of the proceeds of sales of the lands. There is no agreement by the defendant to pay the deficiency or any part of the debt or interest. There is no uncertainty as to the intention and object of the instrument, and there is nothing to indicate an intention that the defendant should give a covenant to pay the debt to the plaintiffs, any more than there is that he should give one to pay the debt to Job Lingham.

The authorities from Courtney vs. Taylor (1843) 6 M. & G. 851, to Jackson vs. North Eastern R. Co. (1877), 7 ch. D. 573, are uniform in holding that a covenant to pay is not to be inferred from a mere recital of an indebtedness unless in the case of the deed being executed with no other object but to acknowledge the debt. If the object is other than that, or if the object of the deed is not confined to that, then the recitals must be considered to be not by way of covenant for payment of the debt, but as a narrative leading up to the security and to the form in which it should be given. To my mind this case is not distinguished in its circumstances from those to which reference has been made, and to which may be added Jackson vs. Yeomans (1869) 19 C. P. 394. It falls within the statement of Lord Romilly, M. R., in Saunders vs. Milsome (1866) L. R. 2 Eq. 573, at p. 575, that "if a debtor executes a deed by which he admits the debt, and then conveys property to a trustee in trust to sell and pay the debt out of the proceeds, that does not make the debt a specialty debt."

Then as to the effect of the deed of July 24, 1893. It is obvious that the sole purpose for which this and the deeds from the defendant's brothers and sisters were given was in order to save expense by facilitating sales. The plaintiffs repudiate the suggestion that they were executed and accepted as a release of all equity or interest in the land in full satisfaction of the plaintiffs' claim. They were simply given at the plaintiffs' instance for the purpose, stated in their solicitor's letter, of enabling the plaintiffs to get the matter closed. The deed of July 24, 1893, was in itself neither an acknowledgment of the debt nor an assignment by the defendant to the plaintiffs of any share or interest in the claim (if any) of Job Lingham's personal representatives to the sum of $10,000. And in no respect does it amount to an acknowledgment of or payment upon the debt so as to prevent the operation of the Statute of Limitations.

The receipt by the plaintiffs of the sum of $5,500, though a receipt in respect of the indebtedness mentioned in the deed of June 7, 1884, was not a

payment made by the defendant or any one on his behalf. It was moneys received in virtue of the deed and was *pro tanto* a realization of the security, but, as said by Lindley, L. J., in the case *in re* McHenry Barker's Claim, (1894) 3 Ch. 290, at p. 295, "the realization of the security does not add to the cause of action; the cause of action accrued long before."

I would dismiss the appeal with costs.

PROMISSORY NOTE—INDENTURE—INSTRUMENT UNDER SEAL—PRESCRIPTION.

ZAMPINO vs. BLANCHERI (Quebec Judicial Reports, Vol. 34, p. 265).

A private writing, described by the parties thereto as an "indenture" and executed under seal, containing an acknowledgment of a personal debt, with hypothec on real property to secure the payment of such debt, is not a promissory note, and the prescription of five years does not apply.

STATEMENT OF FACTS: This was an appeal by the plaintiff from a judgment of the superior court in Montreal, which judgment held the instrument in question to be neither more nor less than a promissory note or a reconnaissance of debt of the same nature, and consequently prescribed by a period of five years under Article 2260 of the Civil Code.

JUDGMENT: The judgment of the court was given by Sir Melbourne M. Tait, acting Chief Justice.

This cause comes up as well upon the merits of the action as upon a petition to quash an attachment before judgment issued upon the affidavits of plaintiff's legal attorney. The whole question at issue upon the merits is whether the document upon which the action is based and which is called an "indenture," is or is not a promissory note. The court in the first instance held that it was, applied the prescription of five years, and dismissed the action with costs, and also dismissed the attachment, holding that the allegations of the petition were proved.

The instrument in question is in these terms:

"This indenture made the first day of June, 1894, between Antoine Blancheri and Isabel Blancheri of the county of Kings, State of New York, parties of the first part, and Francesco Zampino of the City and County of New York, of the second part.

Whereas, the said parties of the first part are justly indebted to the said party of the second part, in the sum of $1,500, lawful money of the United States, secured to be paid by their personal obligation and also from the house and lot which the parties of the first part own at No. 72 Powell street in the city of Brooklyn, State of New York, which property is simply a security to the party of the second part for the payment of said sum of $1,500 by the said parties of the first part.

The said sum of $1,500 is to be paid as follows, to wit: on the first day of February, 1895, with interest at six per cent. per annum payable quarterly.

In witness whereof, the said parties of the first part have hereunto set their hands and seals the day and year first above mentioned.

In presence of [Signed] ANTOINE BLANCHERI,
[Signed] JOHN PALMIERI. ISABELLA BLANCHERI."

By the Bills of Exchange Act, section 82, a promissory note is defined to be "an unconditional promise in writing made by one person to another, signed by the maker, engaging to pay on demand or at a fixed or determinable future a sum certain in money to or the order of a specified person or to the bearer."

No particular form of words is required to constitute a valid note provided the instrument meets the requirements of the statute.

In this document we have an acknowledgment to owe $1,500 and a promise to pay that sum on the first day of February, 1895, to the plaintiffs. It has, therefore, these requirements of a promissory note. Even if it is not negotiable it does not follow that it is not a promissory note. (See section 8, and also sub-section 4 of that section.)

The reference to security does not invalidate it as a note, section 32 (3). I understand that, according to the common law of England, this instrument being sealed would be regarded not as a simple contract but what is known as a specialty and must be sued upon as such. The most striking case cited on this point is that of Wilson vs. Gage.

By section 8 of our statute 54, 55 Vic., amending the Bills of Exchange Act 1890, it is laid down that the rules of the common law of England, including the law merchant, save in so far as they are inconsistent with the express provisions of the said act as amended, shall apply, and shall be taken to have applied from the date on which the said act came into force, to bills of exchange, promissory notes and checks.

I have come to the conclusion that this instrument should not be regarded as a promissory note. I am convinced that the parties never intended it to operate as such.

A promissory note is the act of the person or persons who are the makers of it. In the present instance the document has been signed by both parties who declare that they have set their hands and seals thereto, after declaring that what they were executing is an indenture. The language used and the form in which it was executed show that it was but an ordinary contract between two parties. If this is to be regarded as a promissory note, then it seems to me that every obligation acknowledging to owe, with an undertaking that the money shall be paid at a certain time, must be regarded as one.

In an old case of Sibree vs. Tripp, Baron Pollock remarks it is difficult to lay down a rule which shall be applicable to all cases; but it seemed to him that a promissory note, whether referred to in the statute of Anne or in the text books, meant something which the parties intended to be a promissory note. He says we cannot suppose that the legislature intended to prevent parties from making written contracts relating to the payment of money other than bills and notes; and that the writing in question in that case appeared to him to be merely an instrument recording the agreement of the parties in respect of a certain deposit of money, the consideration of which is stated in the memorandum itself, and to be rather an agreement than a promissory note.

The memorandum was in this form: "Mr. S. has this day deposited with me 500, on the sale of 10,300 three per cent. Spanish, to be returned on demand."

I think that the language used by Mr. Baron Pollock is applicable to the present case, and that we should decide that the original parties here before us did not intend the instrument in question to be a promissory note.

It now seems to be our settled jurisprudence that a note *en brevet* is not a promissory note and that the five years' prescription does not apply to it. It appears to me that there is even more reason for saying that this instrument issued in the form of an ordinary contract and attested by the seals of the

signatories, is not a note. My conclusion is that we ought to reverse the judgment and condemn the defendant to pay the amount claimed with costs. The court has also come to the conclusion to reverse the judgment which dismissed the attachment, and to maintain it with costs.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents - to be promptly sent by mail.

Editor Bankers' Magazine: NEW BRIGHTON, N. Y., May 20, 1904.

SIR: A deposits with B bank check, which is lost in course of collection. B bank writes its depositor A for a duplicate. A says he does not know man from whom he received the check or the maker's name. Is B bank justified in charging amount of check to A's account?

COLLECTIONS.

Answer.—A bank receiving a check on deposit becomes a holder like any other transferee, and before it can charge its depositor with the amount thereof, it must show that the check has been duly presented and dishonored. Mere proof that the check has been lost is not sufficient. Nor is presentment in such case impossible, for demand of payment may be made upon a copy. (Daniel on Negotiable Instruments, section 1464–1465.) But if the check is negotiable in form, as checks usually are, a proper indemnity must be tendered to the drawee bank.

Editor Bankers' Magazine: ELKTON, KY., May 18, 1904.

SIR: (1) A, a contractor engaged in erecting a building in our city, orders certain material from a firm in Nashville, Tenn. After the arrival of goods, the Nashville firm draws a demand draft, subject to protest, on A through a Nashville bank which comes to us for collection, and at time of the receipt of said draft, A is absent from the city, and has no personal representative here on whom demand could be made. Should we protest same, there being no demand, or must we hold until his arrival?

(2) Drafts and notes that are subject to protest and not made payable at any bank, sent to us for collection on parties resident at towns nine or more miles distant from our city, what course should we pursue in their collection? Does the law impose on us a personal demand?

ASSISTANT CASHIER.

Answer.—(1) There is no fixed rule as to what course a bank should pursue in such a case. Its duty is to exercise reasonable care and judgment under all the circumstances. If the drawee is known to be a man of large means and perfectly solvent, one course might be adopted, while if he is known to be in failing circumstances, a different method might be required. In the latter case, if the amount of the draft is large, it would be prudent to telegraph for instructions. But, as a general rule, the bank will fully perform its duty if it presents the paper at the residence or place of business of the drawee, or if he no longer maintains such, then at his last-known residence or place of business. (2) In order that the demand in such case may be legal, it must be made upon the drawee personally, or at his residence or place of business. But unless the bank has an arrangement with its correspondent which requires it to present paper payable in adjacent towns, it is under no obligation to accept the business; but it may return the paper to the sender. If, however, it undertakes to make presentment, it must do so in the legal mode.

Editor Bankers' Magazine: ————, Pa., May 18, 1904.

SIR: A check drawn on this bank payable to the order of the X Manufacturing Company was indorsed as follows:

For deposit to the credit of the
Merchants' Bank of J.

Deposited by X Manufacturing Co.

Pay B. Cashier or order.

Indorsements guaranteed,
Merchants' Bank of J.

We refused to pay the check on account of the indorsement of the X Manufacturing Co. Were we justified in so doing? Had the notary the right to protest it, and can he collect fees on it? His certificate of protest does not state the reason why the check was refused as specified in the Negotiable Instruments Law. CASHIER.

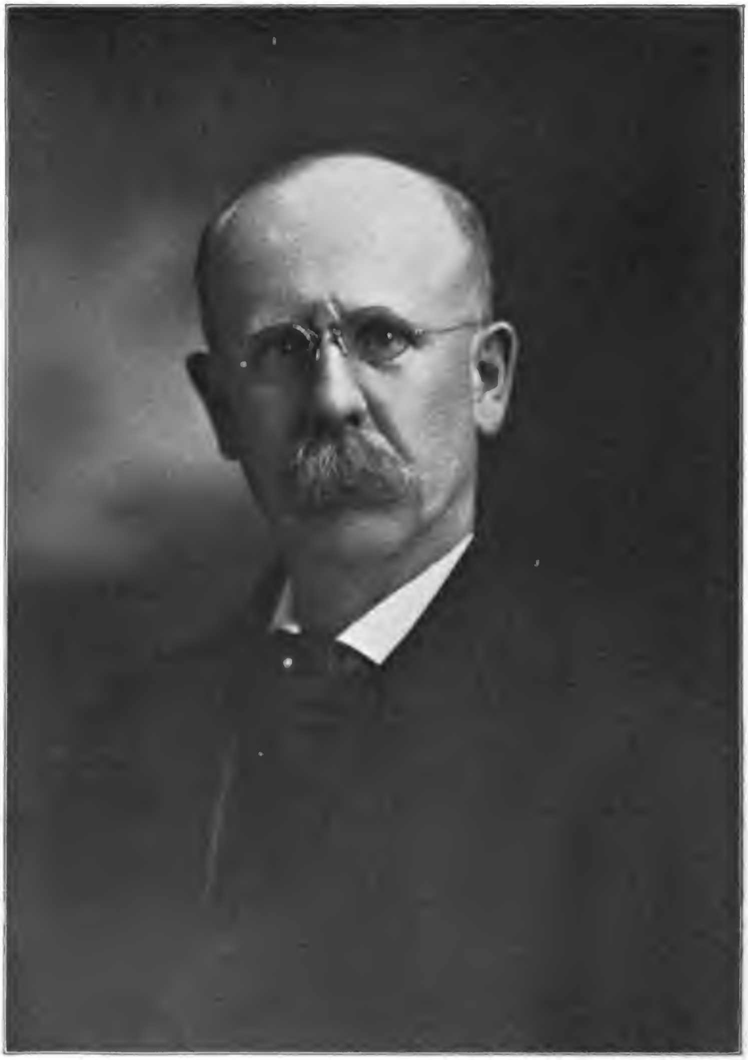
Answer.—As this check was drawn payable to the order of the X Manufacturing Co., it could not be negotiated without the indorsement of such payee (Negotiable Instruments Law, Pa., section 30), but an indorsement is not required to be in any particular form (section 31), and the name X Manufacturing Co., if placed on the instrument by some one duly authorized to do so, would be a good indorsement, notwithstanding the statement prefixed to the name of the payee that the instrument was "for deposit to the credit of the Merchants' Bank of J," and was "deposited by" the payee. We think, therefore, that the indorsement might be deemed legally sufficient. But it does not necessarily follow that the drawee bank was bound to pay the check upon an indorsement in such form. The addition of the words "deposited by" (which are entirely unnecessary as a part of the indorsement) make the whole read as though it were a mere statement of fact, viz., that the check had been deposited by the X Manufacturing Co. to the credit of the Merchants' Bank of J. Such a statement, not being a part of the contract, could be placed upon the check by any one. It might thus be an indorsement, or might not. The drawee bank, before paying the paper, might properly require a less ambiguous indorsement. For its own protection, it should be entitled to have every indorsement in the chain of title so clearly import to be an indorsement, that, if not lawfully made, the person who made it could be indicted for forgery of an indorsement, while in this case, an indictment for forgery of an "indorsement" might be too narrow, and, indeed, there might be no case of forgery at all.

As to the guaranty of the correctness of the indorsements, the drawee bank was under no obligations to accept such a guaranty unless it saw fit.

We believe, therefore, that the bank was justified in protesting the check, and that the notary's fees may be recovered of the transmitting bank.

As this was not a foreign bill of exchange (Neg. Inst. Law, sec. 129) no formal protest was necessary (ld. sec. 118), and all that was required was to give the indorsers due notice of dishonor, which we presume was done by the notary; and hence any irregularity in his certificate is not important.

TWO KINDS OF A SHAVE.—"Now, William," said the man of business to the office boy, "I am going out to get shaved" "Please, sir," said the boy hesitating, "if any one calls and wants to know where you are, will I say you've gone to the barber's or down to Wall Street?"—*Selected.*



W. L. WILLIAMSON

W. L. WILLIAMSON.

As in banking everything depends, finally, upon the management, so in the loaning of funds upon real estate safety and a fair interest yield depend chiefly upon the man who passes upon the value of the property on which the loan is made. It has been the case too often that agents of the large mortgage companies were over-solicitous of getting business and thus increasing their commissions, and have failed to scrutinize the character of the security as carefully as they should have done.

When properly made, loans on real estate are as safe as on any other form of property. This is witnessed by the very large amount of trust funds thus loaned. But safety can be assured only when the loan is made by some one having a thorough knowledge both of the character of the land offered as security and the character of its owner.

The productive farm lands of North Dakota have naturally attracted large amounts of capital seeking profitable investment, and where the loans have been made by those who knew the value of the land and were familiar with the responsibility of those seeking the loans, the results have been eminently satisfactory.

Among those who have given close personal attention to the farm-loan business in the Northwest and have made a success of it, the subject of this sketch, W. L. Williamson, of Lisbon, N. D., stands conspicuous.

He was born at Appleton, Wisconsin, in 1859, of Quaker parentage, being a lineal descendant of Daniel Williamson, who came to this country with William Penn in 1682. He was educated in the Episcopal Academy at Philadelphia, and first went to North Dakota in the fall of 1881, returning to Philadelphia for the winter, but again going to North Dakota in the spring of 1882. In this same year and the following one he did work in connection with the United States Government Survey, and then entered a general store at Milnor, N. D., as a clerk. In 1885 he took a clerkship in the Bank of Sargeant County, at Milnor, and worked his way up through various capacities until at the time of his resignation, in 1892, he was Assistant Cashier.

On resigning from the bank, Mr. Williamson went to Lisbon, N. D., and established himself in the farm-mortgage loan business, and has continued in that line ever since. He began in a modest way, entirely on his own responsibility, with no clerks, and by energy and judgment he has developed his business until he now occupies a suite of four offices, supplied with up-to-date furnishings and equipments, and employs a staff of competent assistants. He is recognized as the leading farm-mortgage man in this part of the State.

Mr. Williamson operates in a territory where he has a personal knowledge of the land and the borrowers, and this, as has been said, is the prime essential in conducting a business of this character. He sells these mortgages to net six per cent. and collects the principal and interest, remitting in New York exchange, without expense to the investor. His long residence at Lisbon and his extensive experience in the farm-mortgage business have given him an exceptional title to the confidence of investors who require absolute security. Mr. Williamson invites the most rigid inquiry concerning his methods and his personal responsibility. It is his aim to throw every possible safeguard about every loan negotiated by him.

Besides being a successful business man, Mr. Williamson is deeply interested in the welfare and progress of his town and community, and his advice, especially in respect to financial matters, is frequently sought.

BANK SAFES AND VAULTS.

FIVE-PLY WELDED CHROME STEEL FOR SAFE AND VAULT CONSTRUCTION, MANUFACTURED BY THE CHROME STEEL WORKS, CHROME, N. J. (FORMERLY OF BROOKLYN, N. Y.)

The proper protection of money and securities is one of the most important matters with which bankers and other custodians of such funds have to deal, and they are therefore deeply interested both in the methods of vault-construction and in the materials of which their safes and vaults are made. To assure adequate safeguards against attacks by mobs or burglars, the banker or architect when letting contracts should insist that only the best materials be used. The vaults and safes may be said to represent the heart of a bank's equipment, and security here is vital to life and prosperity.

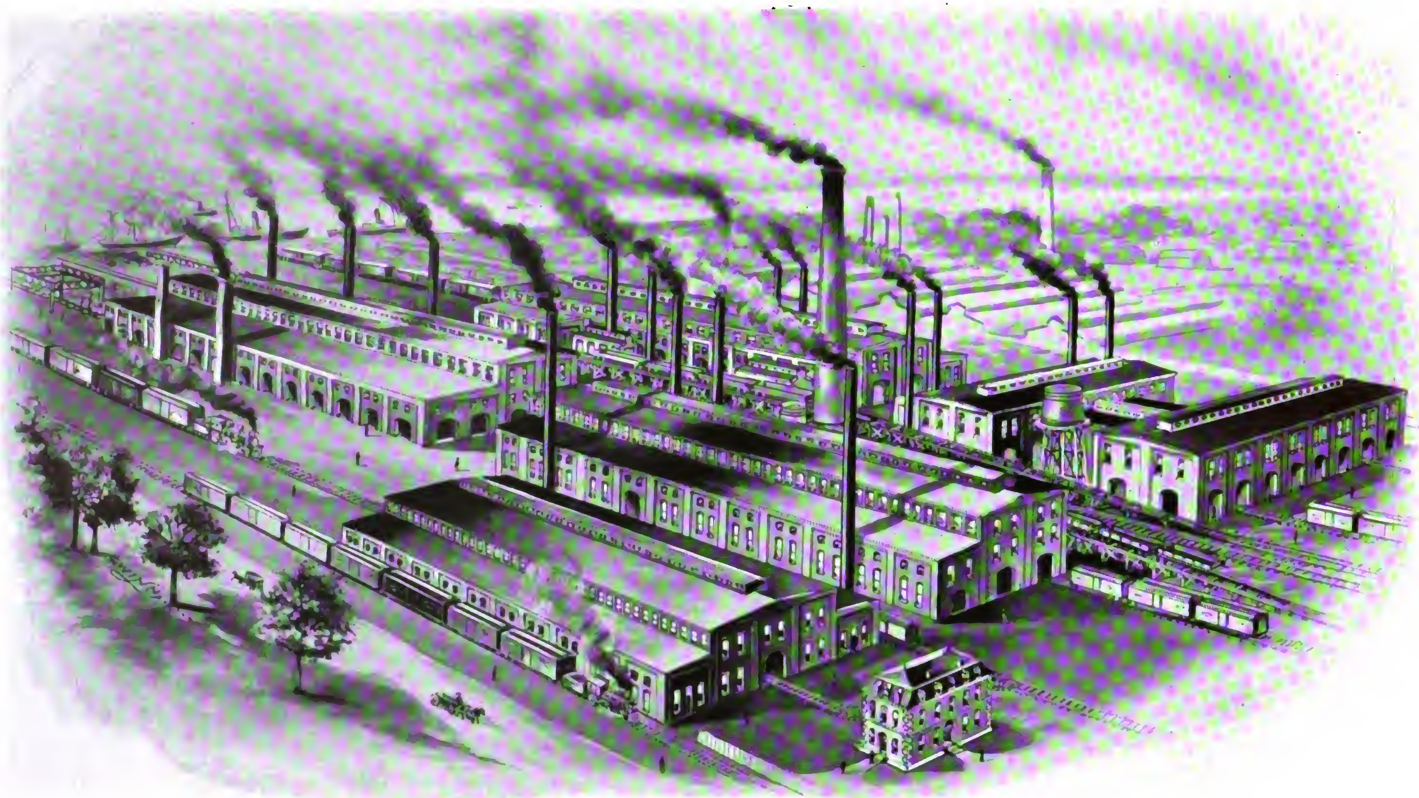
The Chrome Steel Works, of Chrome, N. J. (formerly of Brooklyn, N. Y.) have been employed in the manufacture of their five-ply welded Chrome steel burglar-proof plate for more than thirty years. This is conceded to be the most impregnable material that can be used to resist attacks by mobs or burglars, and in fact affords absolute security.

This steel, of which the Chrome Steel Works are the original and only manufacturers, may be classified as distinctly a special steel. Made by the crucible process, it resembles in some respects the higher grades of tool steel, but in addition is possessed of properties combined in no other known steel. It welds most readily to itself and to wrought iron, and is not injured in any way by excessive heating, and it will harden drill-proof against the finest tools when heated to a moderate heat and plunged into water.

The Chrome Steel Works' five-ply welded plate is composed of two layers of high-grade Chrome steel encased between one centre layer and two outside layers of extremely tough steel or iron. These five layers are welded together under rolls into one solid plate. The outside layers, being of a very tough material, will resist attacks made upon the plate by explosives, or by sledge-hammer blows, and at the same time will protect the inner layers of high-grade Chrome steel. By this process of welding together layers of steel, directly opposite in their physical properties, the best possible combination of extreme hardness and extreme toughness is obtained in the one integral plate.

As an evidence of the superiority of this steel for use in safe and vault construction, it may be mentioned that it has been used by nearly all of the important banks, trust companies and safe deposit companies in the United States and Canada in constructing their vaults. Only a few can be mentioned here, but they show the representative character of the work done:

New York: Chamber of Commerce, New York Stock Exchange Safe Deposit Vaults, New York Clearing-House Association, New York Produce Exchange and the United States Sub-Treasury, First National Bank, American Exchange National Bank, Bank of New York, Bank of the Manhattan



CHROME STEEL WORKS, CHROME, N. J.
(Formerly of Brooklyn, N. Y.)

Company, Chemical National, Hanover National, National Bank of Commerce, August Belmont & Co., Blair & Co., Brown Bros. & Co., J. P. Morgan & Co., Bowery Savings Bank, Greenwich Savings Bank, American Surety Co., Guaranty Trust Co., Atlantic Trust Co., Central Trust Co., Farmers' Loan and Trust Co., Fifth Avenue Safe Deposit Co., Manhattan Trust Co., Morton Trust Co., New York Security and Trust Co., United States Trust Co., Equitable, Metropolitan, New York Life and Washington Life Insurance Companies.

National Shawmut Bank, Boston; Bank of North America and Fourth Street National, Philadelphia; Riggs National, Washington; First National, Chicago; Omaha National, Omaha; First National, Denver; Hibernian Savings and Loan Society, San Francisco; Bank of Montreal. Montreal.

At the beginning of this article may be seen a reduced view of the new steel manufacturing plant just completed by the Chrome Steel Works at Chrome, N. J., located on New York Harbor. This plant has been equipped throughout with new machinery and appliances, all of the most modern type, especially constructed for the manufacture of their Chrome steel products, and enabling them to make finished five-ply Chrome steel plates up to one hundred inches in width by two and one-half inches in thickness if required, and with a capacity of over fifty tons per day of these plates alone. They are also prepared to manufacture open-hearth Chrome steel plates, also Chrome steel forgings and castings up to 50,000 pounds each in weight. Their forge shop is equipped with one of the largest and most powerful forging presses in this country, and therefore they are prepared to furnish all the material required in the construction of safes and bank vaults in addition to their other varied industries in the Chrome steel line.

Shipping facilities are provided both by rail and a water frontage of over 1,000 feet, facing on Staten Island Sound, with ample docks, enabling the works to load or discharge the largest steamers coming into New York Harbor.

A tract of 1100 acres of land was purchased for the town site at Chrome, N. J., and already forty dwellings of brick and stone have been erected for the workmen employed in the factories of the Chrome Steel Works. Forty-one acres of space are devoted to the use of the Chrome Steel Works, of which nine acres are under roof, the balance being yard room occupied by railroad tracks, coal-trestles, coal-hoisting appliances, etc.

Chinese Business Usages.—A Russian traveller who recently made a tour through Manchuria in the interest of a scientific association gives a very interesting account of the business usages in that Province.

According to this traveller there are in a Chinese business house neither proprietors nor employees. All persons employed in a business house are partners, who share in the profits of the undertaking. During the course of the year each member receives, at certain established intervals, a kind of salary, which, however, is meted out so sparingly as to be hardly sufficient to supply the necessities of life. At the close of the year, however, the accumulated profits are divided.

Very noteworthy, according to the statements of this traveller, is the exceptional honesty of Chinese merchants, who always and most promptly fulfill the engagements they may have entered into. Thus, for instance, the ten branch offices of the Russo-Chinese Bank located in China have since their establishment no record of a single protested note.—*From United States Consul Schumann, Mainz, Germany.*

FRANK B. HAYNE.

ONE OF THE MOST CONSPICUOUS NAMES ON 'CHANGE IN THE COTTON WORLD.

Generalship everybody admires. The same, indeed, whether exhibited upon the chess board of war, or in politics, sports, love, or the not always prosaic and oft-times strenuous pursuits of barter and trade.

With reference more particularly to this last-named head, generalship of a high order it must have been—something near to genius for extensive affairs—that promoted and brought to such a successful issue the great cotton "corner," so-called, of last summer and fall. There was a feat certainly making the principals in it interesting subjects. Exemplars, they, of the higher strategy of the market affecting the whole cotton world—spinners, exporters, consumers and all. And thus interesting, not alone to those whose business is with cotton or the monetary, speculative or other interests nearly or remotely allied to it, but also to the public at large.

It is all a matter of very recent and familiar history, how and with whom this great deal originated. How the parties to it took up the campaign where earlier but more timorous "bulls" left off. How they had studied it out and planned it, like military men, tactically, long before when cotton of middling grade was hardly more than six and one-half cents a pound; whereas now, largely through the impetus given it by them, it has risen to fourteen and fifteen cents, and has even been higher still, meantime. How they secured the sinews of war abroad (to the discomfiture of adverse interests here), and carried their Atlantean burden of more than 250,000 bales, involving over $13,000,000. How they met all contract tenders, although cotton was brought from Europe and from the New England mills, like coals from Newcastle, to overwhelm them.

How the conditions, as to crop and market, turned out just exactly as they had presaged. How they closed out with profits reported unprecedented in the trade. And finally, how they were denounced for it as "bandits," "pirates" and "manipulators" and all that, but stood for vindication and refutation on the simple ground that the Southern planter, supporter and corner-stone of the whole pyramid, fabric and structure of the trade, gets for his product just twice what he did before and is the chief beneficiary.

All this, as the phrase goes, is or has been "in everybody's mouth." The story is well known, but the actors, the *dramatis personæ*, so to speak, what of them? Of one of them (the one who was most largely interested in these deals) at least we may say that while not unknown before in the region of Hanover Square or Wall Street, he has leaped into a publicity and prestige not eclipsed by any in the cotton line before. This one is Frank B. Hayne, a gentleman still in his prime and heyday; one of the sort it would seem of whom very likely, as old Carlyle said of Napoleon, "we shall hear more hereafter."

Mr. Hayne is of Vincent & Hayne, cotton merchants, as they subscribe themselves, 835 Gravier street, New Orleans, members of the New Orleans Cotton Exchange, the New York Cotton Exchange, and Liverpool Cotton Association. This house had its rise in Charleston, South Carolina. In 1883 it was established in Vicks-

FRANK B. HAYNE

burg, Miss., and in 1885 opened up in New Orleans. There it rose very soon into prominence in the trade as the buyer of 60,000 to 100,000 bales a season, chiefly for spinners, and maintaining for that purpose branches in Vicksburg, Jackson, Yazoo City, Greenwood and Greenville, Miss., markets of the far-famed Yazoo Delta cotton country of that State.

In the cotton deal last summer, Mr. Hayne had the entire management of Vincent & Hayne's interests in same, which interests, both in New Orleans and New York, were much larger than that of anyone else interested.

Mr. Hayne is of the celebrated Hayne family of South Carolina, of whom Robert Y. Hayne, Webster's great antagonist in the Senate some generations ago, was one. He is not a "new" man at all, as we have seen, but has figured prominently in cotton for more than twenty years. He is a director of the New Orleans Cotton Exchange, and of the Hibernia Bank in that city, one of the largest in point of business in the South. He is president, also, of the Portevent & Favre Lumber Co., of Mississippi, and president of the East Louisiana Railroad, two very successful enterprises.

He lives in style becoming his fortune in one of the fine mansions of aristocratic St. Charles avenue, in the Crescent City. He is a man of family, his wife being a Portevent, and niece of Mrs. Nicholson, the "Pearl Rivers" of Southern letters, and proprietress of the daily New Orleans "Picayune." Mrs. Hayne has been Queen of Comus, the celebrated New Orleans organization of Mardi Gras, and only lately Mr. Hayne himself was "Rex," the chief social distinction of the Southern metropolis in the carnival of the current year.

Social Side of Banking.—The investigation into the affairs of A. McCoy & Co., the Rensselaer (Ind.) banking firm that went under recently and whose liabilities are close upon a half a million, with assets not to exceed $300,000, brings out the social phase of their business methods.

The bank made a specialty of widows. Every Thanksgiving and Christmas a wagonload of turkeys was sent out by the bankers to distribute among widows. When the crash came seventeen widows had deposits in the bank ranging from $10 to $6,000. The total amount which the widows of Rensselaer had in the bank when it closed was $13,800.

One of the most elaborate entertainments ever given in Rensselaer was to the school officers and teachers; and the McCoys were the hosts. The entertainment was followed by a gradual withdrawal of deposits by teachers from the other banks and a concentration of these deposits in the McCoy institution. The school officers recognized the public spirit of the bankers by putting a part of their cash in the bank, and when it closed the teachers and officers found themselves out $10,750.

When S. R. Nichols was elected county treasurer the McCoys furnished his bond. it having been generally understood during his campaign that he was the bank's candidate, and all the widows and school teachers having worked for him. Mr. Nichols had $22,000 on deposit in the bank at the time of the failure, and deposits of other officers, including the county assessor and county clerk, ran the amount up to $35,000.

The seventeen widows have been comparing notes regarding the cost of their turkeys and find that they run all the way from $5 to $1,500. Mrs. Lennie Grant, who had $20 in the bank, and Mrs. Alter, who had $6,000, each received four turkeys, and Mrs. Payton, who had but $10 in the bank, received two.

Three teachers who did not deposit with the McCoys prior to the entertainment, reckon the cost of that function to them at $600, $500 and $940.—*N. Y. Sun.*

VIRGINIUS NEWTON.

Virginius Newton, President of the First National Bank and the Union Bank, Richmond, Va., and President of the Richmond Clearing-House Association, died May 26.

Mr. Newton was born in Norfolk, Va., October 27, 1844. He was of English ancestry, and his family were among the earliest colonial settlers of the Tidewater Section of Virginia. He was educated at the University of Virginia, from which he was graduated with the degree of bachelor of laws. At the age of eighteen Mr. Newton enlisted in the Confederate cause, and served through the war. He was a midshipman in the Confederate navy, and was on the Virginia during the memorable fight in Hampton Roads.

VIRGINIUS NEWTON.

Shortly after the war Mr. Newton went to Richmond and engaged in business. He was successful from the start, and for many years before his death occupied a position in the front rank of the local world of affairs and in the social life of the city as well. He held a number of positions of trust and responsibility, and in all of them served with distinction. At the time of his death he was President of the First National Bank of Richmond, President of the Union Bank of Richmond, first vice-president of the South Atlantic Life Insurance Company, and a director of several other institutions. He also held the position of President of the Clearing-House Association of Richmond. A number of years ago Mr. Newton was married to Miss Mary Heath Davenport, a daughter of Isaac Davenport, at one time President of the First National Bank, of Richmond, and a member of the influential insurance and banking firm of Davenport & Co. His second wife was, before her marriage, Miss Barksdale, of Richmond. There are no children.

Mr. Newton's business career was marked by a large measure of success, which he attained solely through his industry, ability and integrity. In the banking circles of Richmond none stood higher. He was deeply concerned in everything tending to promote the solid banking and business interests of his city and State, and always stood for sound policies and methods. By his judgment and energy he made the First National Bank one of the largest and strongest banks in Richmond, and at his death left a record of integrity, courtesy and honor that will be an enduring legacy to his business associates and others.

Mr. Newton was a man of fine intellectual attainments, a charming conversationalist and a brilliant and forceful speaker. His personal relations were marked by a rare degree of courtesy and consideration for others. Both by his qualities and achievements he deserved and commanded the widest respect.

TRUSTEE SAVINGS BANKS IN GREAT BRITAIN.

The report of the inspection committee of trustee Savings banks, for the year ending November 30, 1903, has been recently published. The annual return for that period has not yet been printed, but the Inspectors report a slight increase in the number and amount of deposits as compared with the corresponding figures at November 30, 1902, and this in spite of the competition by municipalities—a competition which has been felt and resented by the joint stock banks. Although now somewhat overshadowed in importance by the Post Office Savings Banks, trustee Savings banks have played an important part in the financial history of Great Britain. "Before Savings banks were established," wrote Arthur Scratchley in 1860, "there were no systematic means of encouragement to thrift, and no provision was made for its gatherings." This want was met by the establishment, from philanthropic motives, in the end of last century of the first trustee Savings banks. In a useful lecture on the subject by Mr. T. W. M. Watson, C.A., recently published, an interesting sketch of the statutory history of these institutions is given, and a table is supplied showing their growth from 1829 onwards. This growth was so rapid that in 1860 the total amount due to depositors was over forty millions, and in England and Wales one in every sixteen of the population was a depositor. It is somewhat remarkable that Scotland, in spite of her reputation for thrift, lagged behind the sister country in this advance. To quote Scratchley again, "The number of depositors (in 1860), as compared with the population, was less, and the amount of individual deposit much smaller in Scotland than in England." The last annual return, too, shows that, although Dundee shares with three English towns the honor of possessing a Savings bank which has been in existence since 1815, there are no other Scotch banks now existing which were established before 1836. In England, on the other hand, Savings banks dating from before 1820 are very numerous.

As early as 1807 the possibility of utilizing the numerous post offices throughout the kingdom for Savings bank purposes had been seen by one Whitbread, and he had brought forward a bill with that object. The proposal, however, lay dormant until 1861, when the Post Office Savings Bank was instituted. The possession of numerous offices—open daily and conveniently situated—gave it a great advantage over the trustee Savings banks, whose growth was almost entirely arrested for over thirty years in spite of the great increase in the population and wealth of the country. In all 436 of these banks have been closed, and have transferred their funds to post office Savings banks. During the last decade, however, the amount at the credit of depositors in the trustee Savings banks has increased from £42,225,801 to £52,540,000.

Mr. Watson supplies the following comparative figures as at the close of 1902:

Bank.	*Number of depositors.*	*Amount at credit.*	*Cost of transaction.*	*Cost of management per £100 of capital.*
Total Trustee Banks, 229...........	1,670,394	£52,505,081	7.1d.	5s. 5d.
Post Office Savings Banks, 14,048..	9,133,161	144,605,088	5.9d.	7s. 3¼d.

The cost of management of the trustee Savings banks is met from the difference between the rate of interest—2¾ per cent.—allowed to them by the National Debt Commissioners, with whom their funds must be deposited, and the rate allowed by

them to depositors, which cannot be more than 2½ per cent. or less than 2¼ per cent. On the average very little more than ¼ per cent. suffices to meet this cost.

While the increase during the last forty years in the amount deposited in the trustee Savings banks throughout the United Kingdom as a whole has been slight, these banks in Scotland have grown apace. Possessing a population of less than one ninth of that of the whole kingdom, she has now more than one-fourth of the total number of trustee Savings banks, and almost one third of the total amount owing to depositors. It must not be concluded from this, however, that the Scotch are vastly more thrifty than the inhabitants of England and Ireland, for, of the total amount deposited with post office Savings banks at the end of 1902, only £5,662,188 was at the credit of depositors in Scotland. Taking both classes of banks together, it is found that the Savings bank deposits amount to £4, 14s. 10d. per head of population for the whole kingdom, and to £5, 3s. 5d. for Scotland.

While the amount at the credit of depositors with the Savings bank is undoubtedly one of the most useful *criteria* of the material wellbeing of the industrial classes, too much importance must not be attached to temporary fluctuations in this amount. Of late, for example, the withdrawals from the trustee banks have been considerably in excess of the receipts, and for the month ending March 5 last the former were £106,851 and the latter £66,490. The post office Savings banks showed a proportional shrinkage. As the "Statist" points out, this is probably due, not to hard times, but simply to the fact that the present low prices of consols and other first-class securities offer exceptional inducements to investment. — *The Accountants' Magazine* (*Edinburgh*).

Banking in Abyssinia.—No banking institution exists either in Abyssinia or in the French coast colony. Remittances may be made by French money order to Djibouti, but international privileges have not yet been arranged. No facilities whatever exist for making financial exchanges, except by establishing credits with some Paris or London banking company. Gold and French bank notes may be exchanged for silver thalers in the interior at ruinous and widely varying rates, and travelers find it advantageous and almost indispensable to procure at the coast large quantities of silver thalers, anticipating their requirements until their return. The organization of a bank is unquestionably desirable for the proper development of commerce. Very little capital would be required for the present. The existence of such an institution would steady the variable rate of exchange, which now fluctuates somewhat arbitrarily and by no means always in accord with the fluctuations in the silver market. Loans could be made upon very remunerative terms, as the rate of interest at present varies in Ethiopia from ten to forty per cent. a month. A banking company organized to meet local requirements could also control the purchase of native gold, of which the production is considerable. Upon the completion of the railway there is no doubt that the business of a banking company would acquire rapidly increasing proportions, and, if established by persons possessing abundant capital and, better still, allied to some well-known financial institution in Europe or in the United States, could probably obtain very important privileges, including the right of issue. I doubt whether there is a more promising field for a financial venture in the world than this.—*U. S. Consular Reports*.

New Panama Bank.—The Republic of Panama has passed a law establishing a national real estate and mortgage bank. The capital of the bank will be $1,000,000.

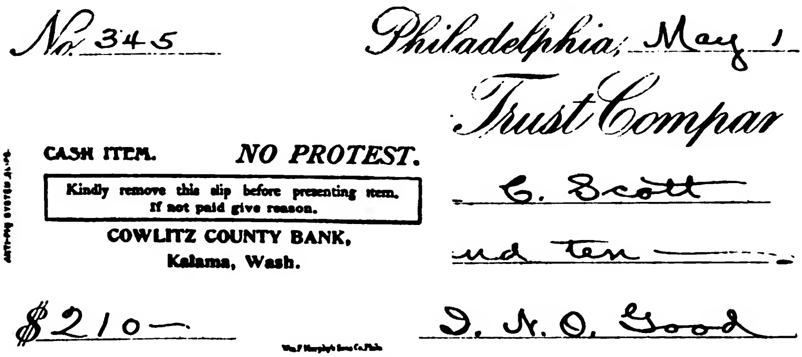
EVERY-DAY BANK WORK.

USEFUL AND IMPORTANT LITTLE THINGS NEEDED.

During the past ten years such great strides have been made in banks and banking methods that old-time bankers, who have not kept up with the march, have cause to look in amazement at the great changes that have taken place.

Banks with deposits reaching the five million dollar mark were scarce then; but now there are not less than one hundred and thirty such National banks, and enough State banks and trust companies in the five million class to bring the total to the neighborhood of two hundred and fifty. These are not all confined to the limits of New York and the East, but are scattered throughout the country. Still, New York claims a good portion of them.

Ten years ago banks in the National system with a capital of five million dollars were hardly thought of, and when some went so far as to raise their capital to ten


No. 345 Philadelphia, May 1

Trust Compa

CASH ITEM. NO PROTEST.

Kindly remove this slip before presenting item.
If not paid give reason.

COWLITZ COUNTY BANK,
Kalama, Wash.

G. Scott

nd ten

$210—

J. N. O. Good

FIG. 1.

million dollars expressions were freely made that the limit had been reached in capitalization of banks. But now a capital of ten millions is not considered wonderful. We can now boast, if we want to boast, of two banks in the National system each having twenty-five million dollars capital, not only authorized but actually paid in, and each having a surplus of more than ten millions.

The deposit line in these two banks is worthy of notice, too, for in the March report to the Comptroller one bank showed a total of nearly two hundred millions and the other nearly one hundred and eighty millions, while the total resources in the one case reached more than two hundred and forty-three million dollars, and in the other more than two hundred and twenty-eight millions.

Large amounts like these in the control of one institution cause some people to fear because of the concentration of power, but there is really no cause for fear.

During the next ten years what advances will be made? We may not think it strange after another decade to have several banks with resources reaching the five hundred million dollar mark. These may come by mergers or natural growth.

Great changes have been made in the interior arrangements of banks during the

past decade, all with the purpose of giving greater safety, comforts and accommodations to depositors and friends. The reception room, the coupon room, the ladies' bank, or more properly the women's bank, and the special desks in banks for the women, and other new and useful departments, are not looked upon now as novelties.

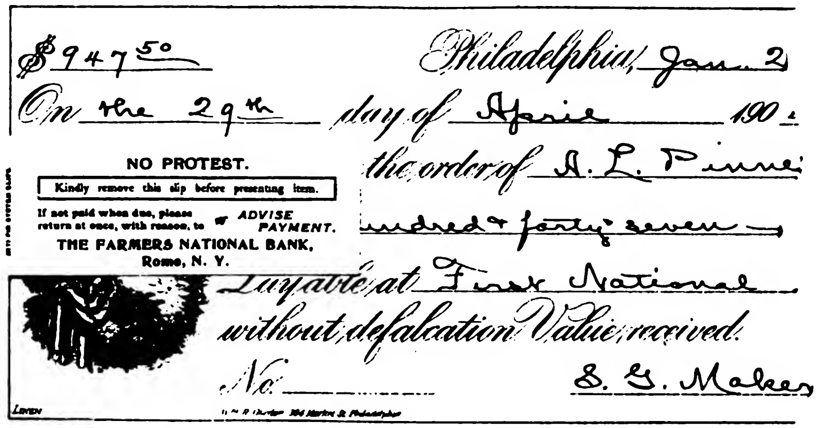


FIG. 2.

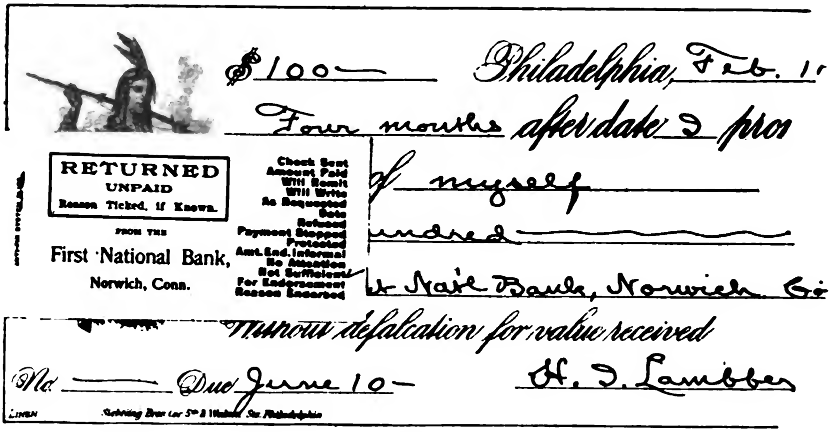
In the methods of keeping records and doing the clerical work great changes have been made, new forms of ledgers are now used almost entirely, settlement sheets are used in place of settling the accounts in the pass book, the adding machines have been installed to save the wear and tear on the clerk's brains and to do the work more rapidly. This list might be continued to quite a length.

It is safe to say that in no other line of business have such great changes taken place as have been placed in successful operation in the modern banks. It would

FIG. 3.

take a seer with unusual foresight to prophesy what changes will be made during the coming ten years in banking methods and departments. Without doubt greater changes will be made than have been made, notwithstanding that many think the limit has been reached.

While these changes have taken place in reference to the larger things in banking, the improvements in smaller things have not been overlooked entirely. It is true they have been neglected by some, but some of those who have kept up with


$100— Philadelphia, Feb. 1

Four months after date I prom

of myself

undred

t Nat'l Bank, Norwich Co

without defalcation for value received

No — Due June 10— H. I. Lambber

RETURNED
UNPAID
Reason Ticked, if Known.

FROM THE
First National Bank,
Norwich, Conn.

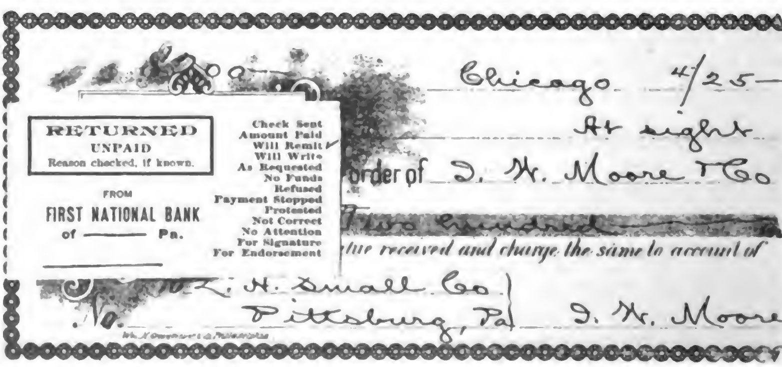
Check Sent
Amount Paid
Will Remit
Will Write
As Requested
Note
Refused
Payment Stopped
Protested
Amt. End. Informal
No Attention
Not Sufficient
For Endorsement
Reason Endorsed

Fig. 4.

the march of the greater improvements have sought to keep the smaller, but nevertheless important, things marching to the same music that led the march of the greater things.

It is the purpose of this article to deal with some of these smaller things that are in every-day use in bank work.

Most of the forms given here were prepared by a bank clerk who has made it a rule of his work to improve methods and forms whenever they could be improved.


Chicago 4/25—

At sight

order of I. H. Moore & Co

Two Hundred

value received and charge the same to account of

H. Small Co.
No. Pittsburg, Pa. I. H. Moore

RETURNED
UNPAID
Reason checked, if known.

FROM
FIRST NATIONAL BANK
of ——— Pa.

Check Sent
Amount Paid
Will Remit
Will Write
As Requested
No Funds
Refused
Payment Stopped
Protested
Not Correct
No Attention
For Signature
For Endorsement

Fig. 5.

They are not the result of a passing thought, but the fruit of careful study and thoughtful planning, so that the needs would be met in the easiest and best way.

One great advantage in these slips is that they need not be attached to the items with pins, for they are gummed on the back along the left hand end with a band of pure gum about a quarter of an inch wide. They can be moistened with the tongue and attached to the item without injuring either the moistener or the item. The slips are here shown attached to the items, so they can be seen as they are used and a better idea of their size given.

The "no protest" slips are used so much now on items of all kinds, to the notary's sorrow, that they will take first place. On figures 1, 2 and 3 will be seen slips for cash items, collection items, and one for either cash or collection items. The

wording on each slip has been carefully arranged to meet the requirements of each case. They all ask one important thing—the reason for non-payment, if the item is returned unpaid. They also ask to have the slip removed from the item before it is presented for payment. These matters have been made prominent because so frequently neither one is done by the bank that has the presentment to make.

RETURNED BY

FIRST NATIONAL BANK,

———— , ——.

FOR REASONS STATED BELOW:

PAID.	PAYMENT STOPPED.
DOES NOT ACCEPT DRAFTS.	ENDORSEMENT.
NO ATTENTION TO NOTICE.	FILLING.
AMOUNT NOT CORRECT.	DATE.
REFUSED.	RECALLED.
WILL REMIT.	NOT GOOD.
NO REASON GIVEN.	SIGNATURE.

FIG. 6.

National Bank of ————

———— . ——.

COLLECTION RETURNED. REASON FOR REFUSAL IS CHECKED BELOW.

Acceptance refused, no reason given.
Payment refused, no reason given.
Amount not correct.
Goods not received.
Wants extension of time.
Failed.
Not due.
Closed.
Not in town.
Cannot pay at present.
Does not owe this.
Has paid it.
Will write.
Cannot be found.
Notice given, but no response.

FIG. 7.

Many times the question is asked by the depositors to who mcash or collection items are being returned, "why was it not paid; what reason is given?" In too many cases no definite reason has been given by the bank that started it on its way back. It was listed on the letter under the words "returned unpaid," and the depositor is left to guess the reason. But a marked improvement is being made in this line, and bankers are realizing that whenever it is possible it is their duty to give a definite reason when returning an item unpaid.

THIS ENDORSEMENT
CANCELLED.

FIG. 8.

Different methods are used. Some have letters printed especially for returned items giving a number of reasons on the bottom of the letter and the reason for which the item enclosed is returned is ticked. This is quite good, but it necessitates sending the letter with the item to its last endorser or its maker, or the answer must be written on the item if the letter is retained by the bank. So this method can be improved.

Some other banks have slips to pin to the items stating that the item is returned unpaid and the reason, if any, given, will be found endorsed on the back. This is

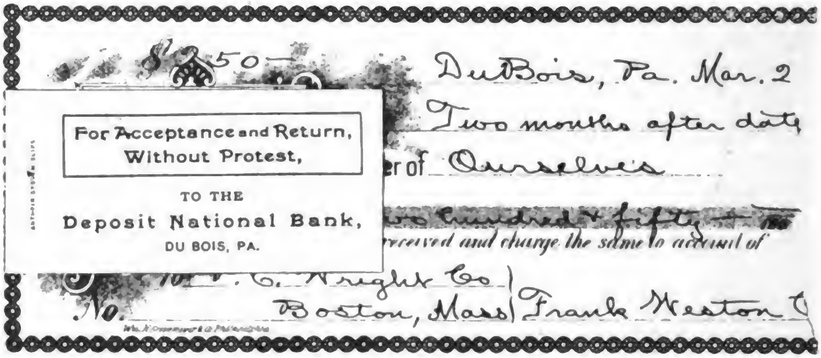


FIG. 9.

good, too, but in many instances it means double work by writing the reason and attaching the slip.

The best method is the slip on Figure 4. All this needs is to moisten the gum on the slip, attach it to the item and tick the reason. This slip was prepared to use on either cash or collection items and gives reasons most needed in returning both classes, but for a bank having many items in both departments it would be advisable to have a return slip for each class of items, giving the reasons most frequently the cause for returning items.

The slip on Figure 4 gives fifteen definite reasons—the ones most used, and when any other reason is given it should be written on the back of the item and the last

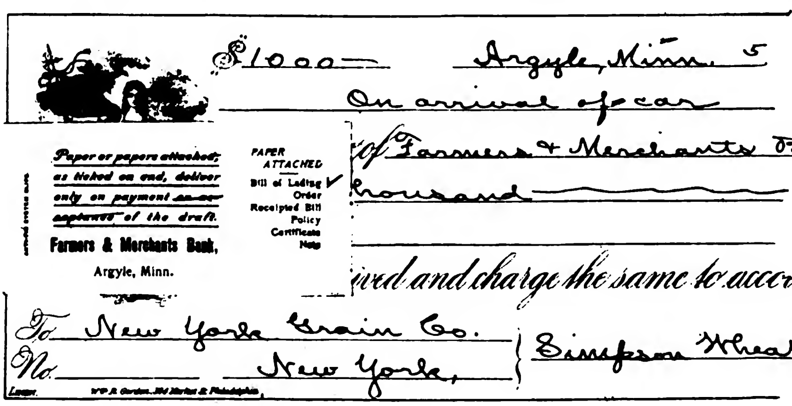


FIG. 10.

reason ticked. The fifth reason from the bottom gives two on one line—"Amt.; *i. e.*, amount, or End.; *i. e.*, endorsement informal." If the endorsement is informal run the pen through "Amt." and tick after "informal." Or if amount is informal run the pen through "End." Another of its good features is that the place to tick is the proper place for a right-handed person, and all reasons are ended on a line, so the tick is easily made and quickly located.

The size of this slip and its whole make-up have caused it to be appreciated by many. So much was it appreciated and its good qualities recognized by a bank supply house that they seemed to copy the idea, for very shortly after this one appeared they issued the one shown on Figure 5. It may not have been a case of

copy, but a coincidence of minds running in the same channel. Still, if it was a copy it only helps to prove that the said bank clerk struck the right idea when he produced his return slip.

Some form of slip giving reasons for the return of items being so necessary, I will show two other forms used by some banks—Figures 6 and 7. These are made

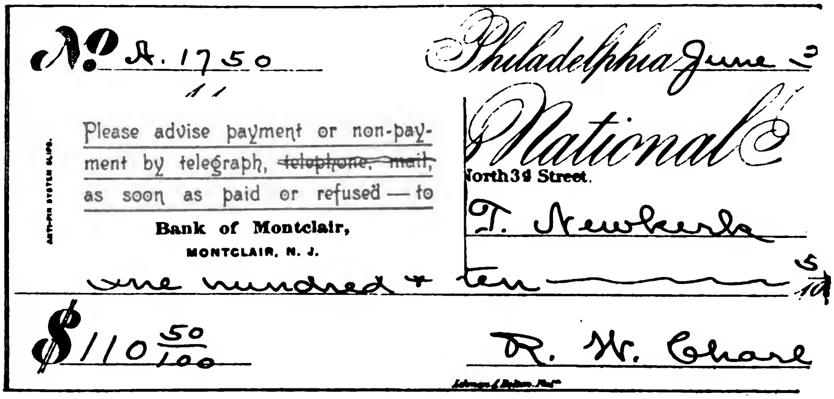

No. A. 1750
Philadelphia June
Please advise payment or non-payment by telegraph, ~~telephone, mail,~~ as soon as paid or refused — to
Bank of Montclair,
MONTCLAIR, N. J.
National
North 3d Street.
T. Newkerk
one hundred + ten — 50/100
$110 50/100
R. W. Chase

FIG. 11.

to pin on the items, and they are good. They are better than those that give about fifty reasons on a sheet that is much larger than the average item.

By all means use some method to give a definite reason for non payment when you return an item. It will cost you a little time and money, but it will make your service appreciated.

While speaking of returning items it is in order to say something about the cancellation of endorsements. No bank ought to return an item without cancelling its

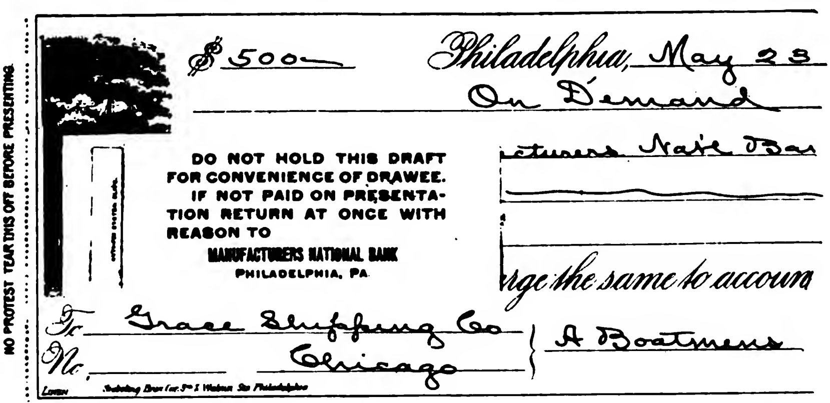

NO PROTEST TEAR THIS OFF BEFORE PRESENTING
$500
Philadelphia, May 23
On Demand
DO NOT HOLD THIS DRAFT FOR CONVENIENCE OF DRAWEE. IF NOT PAID ON PRESENTATION RETURN AT ONCE WITH REASON TO
MANUFACTURERS NATIONAL BANK
PHILADELPHIA, PA.
rge the same to accoun
To Grace Shipping Co
No. Chicago
A Boatmens

FIG. 12.

endorsement. This is usually done, and some banks have a rubber stamp for the purpose. The styles of stamps for this purpose vary quite a little. The stamp shown in Figure 8 is a very good one. Its use is more effective and easier applied than cancelling with a pen or colored pencil.

It is occasionally necessary to send out a time draft for acceptance and return, because the drawer desires to use it before it becomes due. Such drafts should not be endorsed by any of the banks that handle them, but a slip like that attached to

the draft on Figure 9 should be used. This would make it unnecessary to endorse the item to secure its proper return, and it would save the time of writing a memorandum to attach to it.

It is a common occurrence to send drafts with papers of some kind attached—bills of lading, orders, bills, etc.—and some banks send them without making any mention on the item of what is attached, and without giving any instructions on the letter about the papers. The receiving bank is allowed to use its own judgment about the delivery of the papers. It ought not to be so. Then, too, if the papers should become detached—and sometimes they do—there is nothing on the item to show that any papers had been attached. Figure 10 shows a slip that is used by some banks for this purpose, and it meets the need quite fully. One more might be added to the list of "papers attached," that is check and protest. For protested checks are quite often attached to drafts drawn on the maker of the check. In using this slip if the papers are to be delivered on the acceptance of the draft, the pen can

COUPON ENVELOPE.

NATIONAL BANK OF SCHWENKSVILLE,
SCHWENKSVILLE, PA.

Coupons of Reading Co

10	@	$ 25	$ 250
15	"	20	300
	"		

DO NOT ENCLOSE COUPONS OF DIFFERENT COMPANIES IN SAME ENVELOPE.

Total, $ 550 -

Rec'd from Geo. Smith

Due Apr. 1 *190*4 *Payable at* Phila.

IF COUPONS ARE NOT PAID, RETURN IN THIS ENVELOPE WITH REASON.

ANTI-PIN SYSTEM SLIPS.

FIG. 13.

cross off the word payment; or if to be delivered on payment only, the word acceptance can be crossed off.

When bills of lading are attached some banks have a rubber stamp they use on the draft. It reads:

> BILL OF LADING ATTACHED;
> DELIVER ONLY ON PAYMENT.

It frequently happens that a special advice of payment or non-payment is wanted on a certain item by telegraph, telephone or mail. For that purpose a slip such as is shown on Figure 11 should be used. By running the pen or pencil through the kinds of advice not wanted you could get the kind desired.

Banks sometimes take the liberty of holding drafts for the convenience of the drawers, especially when payment is promised in a day or two. This delay in many cases causes anxiety, and sometimes loss, on the part of the drawers. When special instructions are given by the depositor not to have the draft held, but returned at once if not paid, a slip like the one on Figure 12 should be attached. It ought to prevent the delay that so often occurs in handling drafts. Of course there are times

(PIN COUPONS HERE.)

COUPON SLIP.

3 Coupons of Union Pacific R. R.

@ $10. each. Total, $30—

Owner, W. O. Brown

Payable at New York

Due June 1-06

$30—

FROM THE Manufacturers' National Bank, PHILADELPHIA, PA.

FIG. 14.

when the drawer would be glad to have the bank hold the draft a few days if there is any probability of it being paid.

Improvement in the way of preparing coupons to forward for collection has kept up with the advance in other matters. Although coupons are usually very little things, they are valuable and should be carefully handled. But even in this day they are sometimes sent as if they were not worthy of proper care. Sometimes they are pinned to a blank check or a scrap of paper, while some others do better by enclosing them in a plain envelope. But the bankers who have kept up with the march of improvements have a special envelope or slip for their use. Some of these envelopes are very well arranged. The best the writer has seen is shown in Figure 13. Its size is 3 by 5½ inches; it opens at the top, like an ordinary envelope. It gives place for all the information needed—a full record of the kind of coupons, the number enclosed, the amounts and total, from whom received, and when and where due. With its use the coupons of different companies are in different envelopes and it is not necessary to take the coupons out to learn anything about them.

When only a few coupons are to be sent a slip like Figure 14 can be used safely. It is the size of the average note or draft. CHARLES W. REIHL.

CHILI'S BANKING SYSTEM.—You may be interested, perhaps, with a word about our banking. We have no National banking system as you have in this country. All of the banking in Chili is done by private bankers. I think my house—A. Edwards & Co.—does its share of the banking of the country. Some persons have been good enough to say that we do the largest business, but of that I am not, possibly, a good judge.

The only Government banking institution that we have is what is known as the Caja Hipotecaria. This is not, strictly speaking, a Government institution, since its management is not altogether in the hands of the Government. Its business is to loan money on farming lands, and in doing so to develop agriculture.

If a Chilean farmer wishes a loan he makes application to the Caja Hipotecaria. If the security he offers is satisfactory he receives the amount of his loan in the bonds of the institution. These bonds he sells in the open market and thereby gets cash. The bonds bear interest at seven, six or five per cent. and always sell at a premium. The borrower of the money is entitled to the premium.

The general banking business of the country is very much like the business of private bankers all over the world except in this: If a man who is known to be a serious-minded person is a person of property and one who meets his obligations promptly, we lend him so much as he needs on his own simple receipt, with no other security. This receipt is very much like an I O U. The borrower agrees to return to the banker the sum borrowed within a certain time at a certain specified rate of interest. Of all other borrowers we exact collateral for the amount of the loan.

The legal rate of interest in Chili is ten per cent. I do not mean by that that we always get ten per cent, but we are permitted to charge as high a rate as that if we can get it. Like all other commodities, the price of money in Chili is regulated largely by the law of supply and demand.

And right here I may add a word about the Caja Hipotecaria. If a borrower from that institution fails by so much as one day to meet the interest on the bonds, which is payable every six months, he is penalized at the rate of twenty-four per cent. per annum, and that he must pay in addition to the regular interest which the bond bears."—*Interview in New York Sun.*

FORM FOR BANK COLLECTIONS.

Editor Bankers' Magazine:

Sir: I beg to present to you for your inspection and comments through your Magazine, if worthy, a form for handling collections received.

While a banker of short experience, I have observed the necessity for accurate and concise methods for handling all business pertaining to banking. The form which I have gotten out has been adopted by our bank, and is giving entire satisfaction inasmuch as it meets the aforesaid demands and besides greatly economizes time.

In as few words as possible I will endeavor to show why this form is a practical method.

1st.—Economy of stationery. In our bank it puts four books out of business—collection register, collection account book, collectors' street record, letter copy book. One thousand blanks like the copy shown herewith do not cost any more than the same number of remittance blanks.

2nd.—The record is an absolute copy of the instrument received for collection, either sight draft or note, and may contain any special instructions pertaining to the same.

3rd.—Economy of time, in that the letter of advice is written when the record of instrument is being taken. This duplicate is filed in temporary binder, when draft or note is paid the record is transferred to a permanent binder.

4th.—The collection, when paid or returned unpaid accompanied with the letter of advice, gives the maker full particulars relative to the collection, thus saving him time and increases the probabilities of getting future business.

5th.—It frequently happens that in writing letters of advice for drafts paid that the maker of draft No. 10 is sent the amount of draft No. 11, which is an impossibility with this plan.

6th.—The temporary binder contains only such records as drafts and notes on hand, and they can be readily checked up by the proper officer of the bank, thereby keeping in touch with the collection business.

7th.—When collections are paid into the bank there is no chance of an over-charge on account of neglect.

In making the credit slip merely detach letter of advice from draft and place same on letter-spindle.

Our bank handles some 10,000 to 11,000 collections annually, and we find that this method saves from thirty to forty-five minutes of the collector's time daily and we have not had a mistake occur since we adopted this form. Yours truly,

F. B. Dietrick,

Waterloo, Iowa, May 25, 1904. *Asst. Cashier First National Bank.*

[The Bankers' Magazine will be pleased to receive and publish opinions in regard to the merits of the form above described and shown on the next two pages.]

Keeping Money in Circulation.—The way to solve the financial problem of how to keep money in circulation, is for everybody to get married.—*New York Press.*

CAPITAL, $150,000 **FIRST NATIONAL BANK, Waterloo, Iowa.** Surplus and Profits, $40,000

Apl 16 1904

To J. B. King & Co

Chicago Ill *No.* 41759

On James B. Thompson & Co

DATE OF LETTER	DRAFT	YOUR NO.	DATE	TIME	RATE	FROM DATE	EXCHANGE	LESS FRT.		AMOUNT	TOTAL PAID
3/16	—	64326	3/14	St	—	FROM	YES ✓ NO	Yes PLUS INT.	75¢	980.00	905
											LESS EX. 1

NO PROTEST.

Gentlemen: Please find our draft for 904

Yours truly,

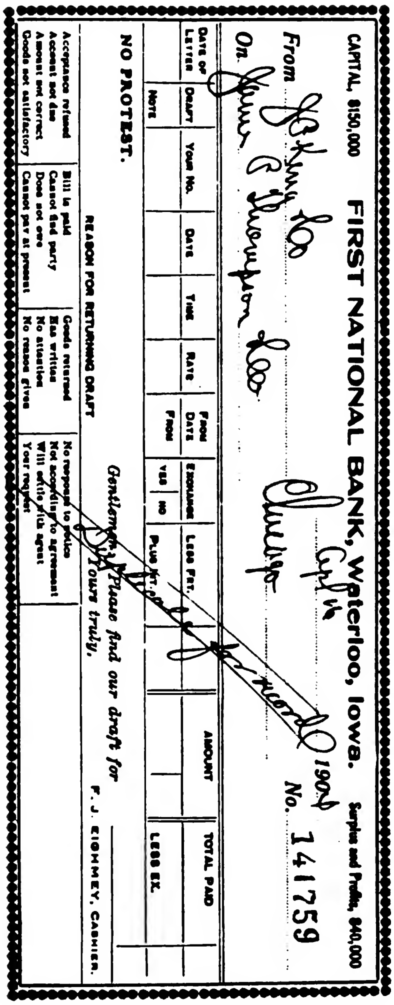
F. J. EIGHMEY, CASHIER.

REASON FOR RETURNING DRAFT

Acceptance refused	Bill is paid	Goods returned	No response to notice
Account not due	Cannot find party	Has written	Not according to agreement
Amount not correct	Does not owe	No attention	Will settle with agent
Goods not satisfactory	Cannot pay at present	No reason given	Your request

Paid & Rem'd March 6th 1904

Returned Chgs as case may be. Use Rubber Stamp



CAPITAL, $150,000 FIRST NATIONAL BANK, Waterloo, Iowa. Surplus and Profits, $40,000

From J. B. King & Co Chicago Apl 16 1904 No. 141759

On James B. Thompson & Co

DATE OF LETTER	DRAFT / NOTE	YOUR NO.	DATE	TIME	RATE	FROM DATE / FROM	EXCHANGE YES / NO	LESS FRT. / PLUS INT.		AMOUNT	TOTAL PAID / LESS EX.

NO PROTEST.

Gentlemen: Please find our draft for

Yours truly,

F. J. EIGHMEY, CASHIER.

Duplicate for record

REASON FOR RETURNING DRAFT

Acceptance refused Account not due Amount not correct Goods not satisfactory	Bill is paid Cannot find party Does not owe Cannot pay at present	Goods returned Has written No attention No reason given	No response to notice Not according to agreement Will settle with agent Your request	

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—Pursuant to call representatives of a number of the trust companies of New York State met in the board-room of the Mutual Life Insurance Co., New York city, May 27, for the purpose of forming an organization of the trust companies of the State.

Over sixty out of eighty of the trust companies of the State approved the forming of such an association, and many of those who did not attend the meeting sent letters of regret and expressions of hearty approval of the formation of such an association. George W. Young, President of the United States Mortgage and Trust Co., New York, presided.

Articles of association were considered and adopted, and the following officers and executive committee elected: President, Geo. W. Young, of the United States Mortgage and Trust Co.; vice-presidents, Otto T. Bannard, of the New York Security and Trust Co.; Theodore F. Miller, of the Brooklyn Trust Company, and Grange Sard, of the United Trust Company, of Albany. Executive committee: Levi P. Morton, of the Morton Trust Company; Frederic P. Olcott, of the Central Trust Company; John E. Borne, of the Colonial Trust Company; Henry C. Demming, of the Mercantile Trust Company; George H. Southard, of the Franklin Trust Company, Brooklyn; Julian D. Fairchild, of the Kings County Trust Company: William Nottingham, of the Syracuse Trust Company; Seymour Van Sanford, of the Security Trust Company of Troy, and E. O. McNair, of the Commonwealth Trust Company of Buffalo.

It is expected that the first regular meeting of the association will be held some time in September.

—At the annual election of officers of the New York Stock Exchange, held on May 8, the following were chosen: President, H. K. Pomeroy; secretary, Wm. McClure; treasurer, F. W. Gilley.

—The withdrawal of trust companies from participation in the facilities of the New York Clearing-House Association, commenced some time ago, owing to the requirements as to reserves, to become effective June 1, has continued from time to time until now there are only two companies in the Borough of Manhattan—the Knickerbocker and the Manhattan—that have a clearing-house agent.

—A meeting of the council of administration of the New York State Bankers' Association was recently held at the clearing-house to determine on the time and place for holding the next annual convention. On motion of Stephen M. Griswold, President of the Union Bank, of Brooklyn, it was decided to hold the convention at the Champlain Hotel, Bluff Point, on Lake Champlain, Thursday and Friday, July 14 and 15.

—Trustees of the West Side Savings Bank celebrated the thirty-sixth anniversary of the institution by a dinner at the Café Martin on the evening of May 17. In the absence of President S. G. Cook, who was unable to be present owing to illness in his family, Clarence O. Bigelow presided. Papers by President Cook and others were read.

—In view of recent developments regarding irregular brokerage transactions, President L. V. F. Randolph, of the Consolidated Exchange, has issued a statement regarding the attitude of the exchange toward such practices. The following quotation illustrates this position: "The past year has been one of progress on the Consolidated Exchange. Some part of this progress has consisted in forcing out of membership some few who were unworthy to be members. In two cases members were found selling out their customers' stocks without authority, that is, going short of the stocks of which their customers had been purchasers. These members were forced out. In one or two other cases it was ascertained that by reason of overtrading members had become practically insolvent, though still endeavoring to go on with their business and accept orders. They were obliged to stop and liquidate, and were suspended as insolvent. A very few others linked together in the manufacture of fictitious quotations and transactions of such character as, if not actually creating a condition of 'bucket-shopping' on the floor, at least furnished facility for 'bucket-shops' not connected

with the exchange. They were expelled from membership in the exchange. The exchange would not tolerate even connivance at 'bucket-shopping.' The men found so conniving at it, and furnishing fictitious quotations or transactions, were expelled. Out of nearly 1,500 members the exchange has driven out of its membership nearly a dozen men during the past year. Not a single member of its Board of Governors hesitated to meet the duty and responsibility resting upon the board. Expulsions have been by unanimous vote.

The Consolidated Exchange is a strong and purposeful institution. It owns property at Nos. 58, 60 and 62 Broadway. It has a gratuity fund of $400,000. It has struggled for many years to establish high standards. It proposes to live up to those standards. It will oppose illicit trading and illicit practices wherever it finds them. It is in a stronger and better position to-day than ever before; and its aim will be to perfect and enforce the best business methods and principles of the highest integrity."

Mr. Randolph was for a number of years President of the Atlantic Trust Co., and in this and other prominent positions he has held made a high reputation as a financial administrator.

—It was announced recently that plans for the merger of the North American Trust Co. and the Trust Company of America were approved by the directors of the latter company. The succeeding company, it is stated, will probably be the Trust Company of America, with $1,000,000 capital and $6,000,000 surplus, each company contributing $3,500,000 to the capital and surplus.

—The annual meeting of the New York Savings Banks Association was held at the Chamber of Commerce May 12. An interesting feature of the meeting was the report of the executive committee in regard to the extension of permissible investments in railway securities. There were addresses by President John Harsen Rhoades, of the Greenwich Savings Bank, Gen. Stewart L. Wooford, Wm. H. S. Wood, President of the Bowery Savings Bank, and Charles A. Conant, Treasurer of the Morton Trust Co.

Officers for the ensuing year were chosen as follows:

President, Wm. B. Van Rensselaer, President Albany Savings Bank, Albany.

First vice-president, James McMahon, President Emigrant Industrial Savings Bank, New York city; second vice-president, Edward S. Dawson, President Onondaga County Savings Bank, Syracuse; third vice-president, S. E. Hannaman, President Troy Savings Bank, Troy.

Secretary, Wm. G. Conklin, Secretary Franklin Savings Bank, New York city.

Treasurer, Samuel D. Styles, President North River Savings Bank, New York city.

Executive Committee (to serve three years)—Alexander E. Orr, President South Brooklyn Savings Bank, Brooklyn; Chas. E. Sprague, President Union Dime Savings Bank, New York city; David Hoyt, Secretary Monroe County Savings Bank, Rochester.

—Members of New York Chapter American Institute of Bank Clerks held their third annual banquet at the St. Denis Hotel on the evening of May 12. The speakers and their subjects were as follows: "Business and Politics," Dr. Woodrow Wilson, president of Princeton University; "The Education of the Banker," Charles A. Conant, Treasurer Morton Trust Company; "Some Original Poems," Joseph C. Lincoln, Editor of "The Bulletin;" "The Banker of the Future," H. K. Twitchell, Assistant Cashier Chase National Bank; "A Word About Banking," Farquhar J. MacRae, president Society of Certified Public Accountants.

—At a regular meeting of the board of directors of the Hanover National Bank, May 10, Elmer E. Whittaker, Assistant Cashier, was unanimously appointed Cashier to succeed William Logan, deceased.

—The Greenwich Bank recently opened a branch in the Wool Exchange Building in the quarters formerly occupied by the Varick Bank, the latter having been merged with the new Coal and Iron National Bank.

—Owing to failing health, Wm. B. T. Keyser recently resigned as Cashier of the Merchants' National Bank. Samuel S. Campbell, for the past eight years Assistant Cashier, was elected his successor, and A. S. Cox, paying teller, was made Assistant Cashier.

—Carl G. Rasmus has been elected Treasurer of the United States Mortgage and Trust Co. to fill the vacancy caused by the resignation of Edward T. Perine. William C. Ivison has been elected Assistant Treasurer.

—Edward S. Layman, Assistant Cashier and manager of the foreign exchange department of the Illinois Trust and Savings Bank, Chicago, will take charge of a part of the work of the foreign exchange department of the National City Bank.

—At a recent meeting of the board of directors of the Thirty-Fourth Street National Bank, Dr. John P. Munn, President of the United States Life Insurance Co., was elected First Vice-President, and Clinton E. Braine, formerly of the Continental Trust Co., Second Vice-President. Walter R. B. Leaning, formerly with the Bank of the Metropolis, was elected Assistant

Cashier. W. M. Smith, President of the Bank for Savings, and Willis Terry were elected directors.

—The trust companies continuing to clear through members of the clearing-house association—two, the Manhattan and the Knickerbocker in the Borough of Manhattan, seven in Brooklyn, and one in Bayonne, N. J., on June 1 increased their cash reserves to ten per cent. of deposits as required by clearing-house regulation. It is stated, however, that at least one of the Manhattan companies will withdraw in the near future, or at any rate as soon as money becomes less a drug in the market than it is at present.

NEW ENGLAND STATES.

Boston.—Governor Bates has signed the general trust company bill. Hereafter in order to obtain a trust company charter it will be necessary to appeal to the Savings Bank Commissioners rather than to the Legislature.

—The annual meeting of the Bank Officers' Association, of Boston, was held on the evening of May 18, more than 700 members being present. Vice-President Rugg presided, in the absence of President Stimpson, who was unable to be present owing to illness.

Reports presented showed a substantial gain in the current income and in the permanent fund, the latter amounting to $49,000. The relief committee reported that about $600 had been expended for charitable work among the members. The total membership is now 1044. Secretary E. A. Stone gave a résumé of the year's work. A feature of his report was a pleasing allusion to the eldest member, Henry B. Clapp, now in his eighty-third year.

The following officers were elected: President, Edward A. Church, of the Boylston Bank; vice-presidents, Frederick W. Rugg, of the Rockland Bank, and John A. Hunneman of the Second National Bank: directors for two years, Frederick Cate of the Provident Institution for Savings and H. D. Heathfield of the Boston Safe Deposit and Trust Company; trustee for three years, Edward A. Phippen, of the Old Colony Trust Company; Treasurer, Robert E. Hill of the Webster and Atlas National Bank; secretary, Edwin A. Stone of the Franklin Savings Bank; auditing committee, E. S. Brigham of the clearing-house, J. L. Hovey of the sub-Treasury and F. B. Lawler of the National Bank of Commerce.

Following the business session there was an entertainment given by the A. B. C. Glee Club of Arlington, assisted by the orchestra.

—At a meeting held May 31 the stockholders of the National Bank of Redemption indorsed the recommendation of the directors that the institution be consolidated with the First National Bank. The Bank of Redemption will be placed in liquidation.

—The seventeen Boston trust companies reported to the Savings Bank Commissioners, as of April 15, a combined capital of $11,000,000, surpluses and undivided profits of $19,365,031, deposits of $105,151,130, and total loans and discounts other than loans on real estate of $78,855,459.

Compared with October 31, 1903, and October 31, 1902, the showing is as follows:

DATE.	*Capital.*	*Surplus and undivided profits.*	*Deposits.*	*Loans.*
April 15, 1904	$11,000,000	$19,365,031	$105,151,130	$78,855,459
October 31, 1903	12,100,000	19,220,586	107,885,000	85,729,000
October 31, 1902	11,000,000	16,033,548	128,837,000	90,592,080

Since October 31, 1902, the Copley Trust Company started in business, while two companies have dropped from the list—the Union Trust Company closed by order of the Savings Bank Commissioners, and the Massachusetts Trust Company, which was absorbed by the Mercantile.

The contraction in deposits and loans amounted to over $23,000,000 for deposits and nearly $12,000,000 for loans since October 31, 1902.

—At a special meeting of the shareholders of the First National Bank, June 1, it was decided to increase the capital from $1,000,000 to $2,000,000 by the issue of 10,000 additional shares at $200 a share. This action was a ratification of the plan for absorbing the National Bank of Redemption.

MIDDLE STATES.

Albany, N. Y.—The National Commercial Bank now occupies its new building, which in point of solidity, taste, convenience and safety is equal to the best both in construction and equipment. In an illustrated article descriptive of the new building, the "Albany Sunday Press" of May 8 says:

"It may well be said that the building as a whole fittingly typifies the robust strength of the banking institution itself, which for more than three-quarters of a century has met every obligation, frequently when the financial world was in a panic, with the utmost promptness; while the rich and artistic interior typifies the invariable courtesy and consideration that has from the time of President Joseph Alexander to the present regime of President Robert C. Pruyn marked the intercourse between customers and the bank officials."

The building is constructed on classical lines, and is an imposing palace of marble and steel; while the vaults and furnishings, as well as the arrangements for heat, light and ventilation, are the best to be had.

The present officers of the National Commercial Bank are: President, Robert C. Pruyn; Vice-Presidents, Grange Sard and Charles H. Sabin; Cashier, Edward J. Hussey; Assistant Cashier, Hugh N. Kirkland; Auditor, Walter W. Batchelder.

Philadelphia.—At a meeting of the directors of the Pennsylvania Railroad Co., May 19, Henry Tatnall, President of the Franklin National Bank, was elected sixth vice-president and treasurer of the railroad.

New Jersey Bank Report.—The quarterly report of State Banking and Insurance Commissioner David O. Watkins shows that the eighteen State banks have aggregate resources amounting to $11,681,035, of which $451,842 represents cash on hand, $7,094,685 is loans and discounts, $1,910,715 is stocks, securities, etc., and $1,292 931 is due from National, State, and private banks. The surplus funds of the eighteen State banks aggregate $841,500.

There are twenty-eight Savings banks in the State, with aggregate resources of $83,415,-774, and an aggregate surplus fund of $5,538,890. Of the assets of the Savings banks, $26,785,-024 is bonds and mortgages, $3,149,850 is United States bonds, $43,965 356 other bonds and stocks, and $5,594,980 loans on collaterals.

Commissioner Watkins' report shows that there are fifty-six trust companies in the State, with aggregate resources of $131,922,115.

Baltimore, Md.—The United States Fidelity and Guaranty Co. announces that it has established an Internal Revenue Department, for furnishing bonds required by the Government in connection with transactions with the department. Hon. Robert T. Hough, for four years solicitor of internal revenue at Washington, and who has made a special study of internal revenue laws and regulations and has continuously practiced in the Internal Revenue Department, has been placed in charge of the United States Fidelity and Guaranty Co.'s new department, and patrons who pay the ordinary premiums for bonding will have the advantage of his services as counsel, without additional charge, in cases arising under their bonds.

—Plans have been filed for a new $90,000 building at the northeast corner of Gay and Water streets for the National Marine Bank, the former occupant of the lot. The building is to be 55x165 feet, four stories in height, and constructed of brick and terra cotta. E. H. Glidden is the architect, and Messrs. D. W. and J. H. Thomas the builders.

SOUTHERN STATES.

Growth of Banking in Arkansas.—At the last annual convention of the Arkansas Bankers' Association, held at Little Rock, April 22, President H. L. Remmel, in his annual address, gave the following facts in regard to the growth of banking in Arkansas:

"In looking over the president's address of a year ago, I was impressed with the statement of the growth in the number of banks in the State in the past ten or twelve years. In 1892 there were but eighty-three banks: in 1903 there were 201 banks, and I am told this has been increased by twenty-five additional banks in the past year. In 1892 there was on deposit in all of the banks but $8,188,283, while in 1904 the banks of the State have deposits of over $30,000,000, over $7,000,000 capital, and over $3,000,000 surplus. All the people in every branch of industry or vocation are profitably employed - prosperity is universal—and Arkansas seems happy and contented upon every other subject except politics."

Development of Southern Banking.—In an address before the recent convention of the American Cotton Manufacturers' Association, J. W. Norwood, President of the City National Bank, Greenville, N. C., spoke of the increase of safe and profitable banking business in the South as a result of the increase in the number of cotton mills. He showed that the methods of organization and management of these mills generally made their business highly desirable to the banks, and he further said that the percentage of cotton mill failures will compare favorably with that of any other business in the United States—banks not excepted.

Mr. Norwood said that the effect of the banks in the South making loans to the cotton mills had been of great benefit to the planters and other borrowers of the banks in bringing about a reduction in the rate of interest charged. The banks, by being able to keep their funds invested throughout the year in safe loans, were not forced to charge the planters as high rates of interest as formerly when the only season in which considerable amounts of

money could be safely and profitably loaned was the time of year when the planters were seeking loans. The banks were forced to make their profits for the entire year during those months.

Mr. Norwood said that the present tendency in Southern banks was for the loans to planters to decline and the deposits of planters to increase. He attributed this not only to the higher price of cotton, but also to the fact that the establishment of manufacturing plants had given the planters convenient markets for other articles than cotton, including fruits, vegetables, poultry and dairy products, with the result that they were not so dependent as formerly upon a single crop, the income from which came in all at once, but they now had money coming in all through the year from different sources.

WESTERN STATES.

Chicago.—The Chicago Savings Bank Building is under construction at the southwest corner of State and Madison streets. It is a modern fire-proof structure, fourteen stories high, with basement and sub-basement and equipped with the latest conveniences. To meet the cost of the building an issue of $400,000 first mortgage gold bonds has been made, and these have been almost all sold. The bonds are in denominations of $1,000, interest payable November 1 and May 1 at the Western Trust and Savings Bank, Chicago. As the bonds mature serially, the security of the remaining issues is greatly enhanced.

The first floor and a portion of the basement are already rented for $60,000 per annum, and the bank floor, to be occupied by the Chicago Savings Bank, has been leased to that bank for an annual rental of $20,000.

This sum of $20,000 is to be paid direct to the trustee (Western Trust and Savings Bank) to be applied solely and direct to the payment of interest on bonds ($20,000 per annum). The rent of this one tenant alone provides therefor and guarantees the interest on the bonds.

The cost of the building will be $600,000, and the leasehold is valued at $500,000 - a total valuation of $1,100,000 against an issue of $400,000 in bonds.

—Early in July the Jackson Trust and Savings Bank will remove from 53 Jackson Boulevard to the Railway Exchange Building. This will give the bank enlarged facilities for its banking department. Under the management of President W. H. Egan the deposits have been steadily growing.

St. Louis, Mo.—The Mercantile Trust Company announced on May 19 that it had acquired control of the American Central Trust Co. The combined capital stock of the two concerns is $4,000,000, with a surplus and undivided profits of $7,409,944.

—Nominations for executive officers of the Chicago Chapter of the American Institute of Bank Clerks, voted upon May 18, were as follows: George K. Wadsworth, renominated for president; Fred A. Crandall, vice-president; Victor E. Brown, secretary; P. E. Zimmermann and Fred E. Keil, treasurers.

Thirty-six members were nominated as delegates, eighteen of whom are to be sent to the second annual convention of the institute at St. Louis August 24. Since last September the chapter has secured sixty new members, making it, with a membership of 450, the largest of the thirty-five chapters in the United States. At the annual banquet at the Auditorium Hotel May 28 J. R. Chapman and Henry I. Osborne were the principal speakers.

Western Banks Co-operating.—The "Salt Lake Herald" of April 29 says:

"The opening of the Commercial National Bank of St. Anthony, Ida., next Monday, May 1, marks another step in the building up of a broad banking system which is designed to bring about closer financial relations between various parts of the inter-mountain region. The plan is being carried into execution by the Cosgriff brothers, of the Commercial National Bank, of Salt Lake City, and has as an end in view the establishing of a chain of banks through Utah, Idaho, Wyoming and the western part of Colorado that will not only support each other, but that will be advantageous in distributing money through this section of the country. This will also be beneficial to the customers, for wherever there is a demand for money a supply can be drawn from some bank in the system where it has accumulated. Salt Lake City is the center of the system, with the Commercial National the parent bank.

The banks in which J. E. Cosgriff and J. B. Cosgriff have controlling interests are the First National Bank, of Cheyenne, First National Bank, of Rawlins, Saratoga State Bank, Commercial National Bank, of St. Anthony, Murray State Bank, and Commercial National Bank, of Salt Lake City. Besides these they are in touch with several others, and it is their intention to extend this general system through the four inter-mountain States."

Washington State Bankers' Association.—The ninth annual convention of the Washington State Bankers' Association will be held in the City of Walla Walla, Thursday, Friday and Saturday, June 16, 17 and 18, 1904.

The convention promises to be the most successful in the history of the Association. The programme as thus far arranged will include the following addresses:

President's Address, Hon. C. J. Lord, Olympia: "Commercial Crises and Panics," A. L. Mills, President First National Bank, Portland, Oregon; "Needed Legislation," Hon. M. C. Moore, Walla Walla; "A State Protective Committee," W. D. Vincent, Cashier Old National Bank, Spokane; "International Banking," F. E. Beck, Manager International Banking Corporation, San Francisco; "Canadian Banking System and Methods," G. V. Holt, Manager Canadian Bank of Commerce, Seattle: "Requisites of a Good Loan," E. T. Coman, Cashier First National Bank, Colfax; "Banking in Alaska," N. B. Solner, Cashier Union Trust and Savings Bank, Seattle; "Credit Insurance," W. H. Preston, Manager American Credit Indemnity Co., San Francisco.

The following prominent eastern bankers have promised to be present and deliver short addresses on timely topics:

Chas. O. Austin, Vice-President National Bank of North America, Chicago; J. H. Cameron, Vice-President Hamilton National Bank, Chicago; Hon. C. A. Pugsley, Director Consolidated National Bank, New York city; Member of the Committee on Currency and Banking, House of Representatives.

The bankers of Walla Walla are arranging a very delightful social programme for the entertainment of the delegates, including a drive through the wheat fields and fruit farms adjacent to the city, and a picnic at Dudley Grove; a visit to Fort Walla Walla to witness the maneuvers of the Ninth Cavalry, U. S. Army, and a reception at the Walla Walla Club rooms.

Special entertainments will be made for the ladies who accompany the delegates, and they are cordially and urgently invited to attend.

Reduced rates will be extended by all railroad lines.

Lewis and Clark Centennial.—The 100th anniversary of the exploration of the Oregon Country by Capts. Meriwether Lewis and Wm. Clark of the United States Army, will be celebrated by an International Exposition to be held at Portland, Oregon, in 1905.

Lewis and Clark were commissioned by President Jefferson. Their exploration added Oregon, Washington, Idaho and parts of Montana and Wyoming to the national domain, giving the United States its first foothold on the Pacific Ocean. The Oregon Country had 13,294 population in 1850, and now its population is approximately 1,500,000. The acquisition of the Oregon Country paved the way for the subsequent annexation of California. The cities of Portland, Seattle, Tacoma and Spokane are examples of the progress of this region. Where Portland, with its 125,000 people and annual jobbing trade of $175,000,000, stands to-day, Captain Clark in 1806 found a few miserable Indian huts. Puget Sound, which was little known for nearly forty years after Lewis and Clark returned to St. Louis, is now one of the world's great harbors.

AMERICAN BANKERS' ASSOCIATION.

THIRTIETH ANNUAL CONVENTION.

The thirtieth annual convention of the American Bankers' Association will be held in New York city, Wednesday, Thursday and Friday, September 14, 15 and 16.

YOKOHAMA SPECIE BANK.—At the half-yearly ordinary general meeting of the shareholders of this bank, held at the head office, Yokohama, Japan, March 10, the directors submitted the following report of operations for the half-year ending December 31, 1903: The gross profits for the past half-year, including 555,245 yen brought forward from last account, amount to 7,215,219 yen, of which 5,597,551 yen were deducted for current expenses, interest, etc., leaving a balance of 1,617,667 yen. Of this amount the directors proposed to add 110,000 yen to the reserve fund, raising it to 9,320,000 yen. From the remainder the directors recommended a dividend of twelve per cent. per annum, requiring 1 080,000 yen, the balance, 427,667 yen, to be carried forward to credit of next account.

The deposits now amount to 72,871,851 yen, and total resources 221,200,837 yen.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

Applications to Organize National Banks Approved.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice:

First National Bank, Phillips, Wis.; by G. B. Reedal, et al.

First National Bank, Garvin, Ind. Ter.; by J. J. Cloughley, et al.

Louisiana National Bank, Louisiana, Mo.; by J. H. Merrill, et al.

National Citizens' Bank, Charles Town, West Va.; by Levi M. Porter, et al.

First National Bank, Forest, Ohio; by S. M. Brown, et al.

First National Bank, Coin, Iowa; by T. H. Read, et al.

First National Bank, Browns Valley, Minn.; by F. H. Wellcome, et al.

First National Bank, Economy, Pa.; by David P. Black, et al.

First National Bank, Galeton, Pa.; by John B. Coulston, et al.

First National Bank, Madison, Ga., by W. P. Wallace, et al.

Farmers' National Bank, Oberlin, Kans.; by J. R. Burrow, et al.

Citizens' National Bank, Tell City, Ind.; by John T. Patrick, et al.

Citizens' National Bank, Ennis, Texas; by J. Baldridge, et al.

National Bank of Girard, Pa.; by James R. Andrews, et al.

First National Bank, Beardsley, Minn.; by C. E. Purdy, et al.

National Bank of Union Point, Ga.; by R. F. Bryans, et al.

Citizens' National Bank, El Dorado, Ark.; by John C. Ritchie, et al.

First National Bank, Mora, Minn.; by Geo. H. Newbert, et al.

First National Bank, Branchville, N. J.; by Frank Roe, et al.

National Bank of Norman, Norman, Okla.; by S. N. Brees, et al.

First National Bank, Forsyth, Mont.; by J. W. Sweetser, et al.

First National Bank, Madera, Cal.; by L. D. Scott, et al.

Calhoun National Bank, Calhoun, Ga.: by P. M. Tate, et al.

First National Bank, Clarksville, Ohio; by Edward A. Skillman, et al.

First National Bank, Wagner, S. D.; by F. S. Strobbehn, et al.

Ramona National Bank, Ramona, Ind. Ter.; by E. G. Lewis, et al.

Home National Bank, Eureka, Kans.; by G. S. Sallyards, et al.

First National Bank, Braham, Minn.; by N. E. Anderson, et al.

People's National Bank, Girard, Pa.; by L. A. Burnett, et al.

First National Bank, Chico, Cal.; by C. H. Schiveley, et al.

Winburne National Bank, Winburne, Pa.; by James L. Sommerville, et al.

Campbell National Bank, Campbell, Texas; by J. F. Hackler, et al.

First National Bank, Norway, Iowa; by John T. Smith, et al.

First National Bank, Decatur, Neb.; by T. R. Ashley, et al.

First National Bank, Fayetteville, Ark.; by J. H. Frost, et al.

Woods National Bank, San Antonio, Texas; by John Woods, et al.

Pingree National Bank, Ogden, Utah; by James Pingree, et al.

First National Bank, Berryville, Va.; by C. J. Rixey, et al.

First National Bank, Cody, Wyo.: by John Winterling, et al.

First National Bank, Spencer, Neb.; by F. W. Woods, et al.

First National Bank, Bolivar, Mo.; by C. W. Viles, et al.

First National Bank, Moline, Kans.; by Jinks Smethers, et al.

Duncan National Bank, Duncan, Ind. Ter.; by F. W. Jarboe, et al.

City National Bank, Purcell, Ind. Ter.; by Geo. M. Norris, et al.

Farmers and Merchants' Bank, Sleepy Eye, Minn.; by Peter Manderfeld, et al.

Coalgate National Bank, Coalgate, Ind. Ter.; by C. B. Burrows, et al.

Cisco National Bank, Cisco, Texas; by Wm. Bohning, et al.

National Banks Organized.

7225—National Bank of La Follette, Tennessee. Capital, $50,000; Pres., R. B. Baird;

Vice-Pres., Robert Mullins; Cas., W. S. McKamey.

7226—First National Bank, La Harpe, Kans. Capital, $25,000; Pres., W. O. Lenhart; 1st Vice-Pres., C. H. Hackney; 2d Vice-Pres., J. A. Brown; Cas., D. Runyon; Asst. Cas., C. E. Lenhart.

7227—First National Bank, Browerville, Minn. Capital, $25,000; Pres., Wm. E. Lee; Vice-Pres., John D. Jones; Cas., Harry Lee; Asst. Cas., J. G. Mock.

7228—First National Bank, Monte Vista, Colo. Capital, $25,000; Pres., H. H. Abbott; Vice-Pres., G. W. Gates; Cas., Wesley Staley.

7229—First National Bank, Saxton, Penn. Capital, $30,000; Pres., Michael B. Breneman; Vice-Pres., W. H. Sweet; Cas., G. W. Derrick.

7230—Commercial National Bank, St. Anthony, Idaho. Capital, $25,000; Pres., J. E. Cosgriff; Cas., John D. C. Kruger.

7231—First National Bank, Coolidge, Texas. Capital, $25,000; Pres., J. R. Wallace; Vice-Pres., W. L. Murphy; Cas., J. E. Jenson.

7232—First National Bank, Mansfield, La. Capital, $25,000; Pres., Boling Williams; Vice-Pres., W. A. Nabors; Cas., B. F. Dudley.

7233—First National Bank, Philmont, N. Y. Capital, $50,000; Pres., Josiah W. Place; Vice-Pres., J. G. Curtis; Cas., C. Tracy.

7234—First National Bank, Osnabrock, N. D. Capital, $25,000; Pres., John Trotter; Vice-Pres., F. S. Sargent; Cas., T. L. Tillisch.

7235—First National Bank, Amesville, Ohio. Capital, $25,000; Pres., J. J. Beasley; Vice-Pres., O. M. Lovell; Cas., W. P. Smith.

7236—Union National Bank, Elgin, Ill. Capital, $100,000; Pres., Richard N. Botsford; Vice-Pres., Alexander L. Metzel and Wm. W. Sherwin; Cas., John E. Whitham.

7237—First National Bank, Somerset, Ohio. Capital, $25,000; Pres., D. S. Thomas; Vice-Pres., L. L. Dittoe; Cas., E. A. Montgomery.

7238—German National Bank, Weatherford, Okla. Capital, $25,000; Pres., I. H. G. Huline; Vice-Pres., Walker Moore and M. C. Bennett; Cas., C. A. Galloway; Asst. Cas., J. R. Crabtree.

7239—National Bank of Commerce, Lincoln, Neb. (successor to Bank of Commerce). Capital, $100,000; Pres., M. Weil; Vice-Pres., S. A. Foster; Cas., M. I. Aitken; Asst. Cas., Carl Weil.

7240—Merchants' National Bank, Fort Smith, Ark. (successor to Merchants' Bank). Capital, $400,000; Pres., W. J. Echols; Vice-Pres., J. B. Williams; Cas., C. S. Smart.

7241—First National Bank, Loogootee, Ind. Capital, $25,000; Pres., John N. Breen; Cas., J. M. Twitty; Asst. Cas., R. S. Patterson.

7242—First National Bank, Sebree, Ky. Capital, $25,000; Pres., J. B. Ramsey; Vice-Pres., W. I. Smith; Cas., Joel Bailey.

7243—Stockmen's National Bank, Cotulla, Tex. Capital, $60,000; Pres., L. A. Kerr; Vice-Pres., T. C. Frost; Cas., G. W. Heinrichson; Asst. Cas., B. Wildenthal.

7244—First National Bank, Lakeview, Oreg. Capital, $50,000; Pres., W. H. Shirk; Vice-Pres., H. A. Brattain; Cas., S. O. Cressler; Asst. Cas., Lee Beall.

7245—First National Bank, Clifton, Tex. Capital, $40,000; Pres., J. W. Rudasill; Vice-Pres., G. J. Gibbs; Act. Cas., G. J. Gibbs.

7246—Citizens' National Bank, Pennsboro, W. Va. Capital, $25,000; Pres., E. J. Taylor; Cas., C. H. Broadwater; Asst. Cas., C. R. Cunningham.

7247—First National Bank, Lafayette, Ga. Capital, $25,000; Pres., A. R. Steele; Vice-Pres., R. N. Dickerson; Cas., S. A. Hunt, Jr.

7248—Farmers and Merchants' National Bank, Mount Vernon, O. Capital, $100,000; Pres., F. V. Oven; Vice-Pres., Leander Hays; Cas., F. W. Severns; Asst. Cas., A. L. Byrns.

7249—Farmers' National Bank, Center, Tex. Capital, $25,000; Pres., J. T. Norris.

7250—First National Bank, Salem, W. Va. Capital, $60,000; Pres., Genius Payne; Vice-Pres., W. W. Jamieson; Cas., Oscar C. Wilt.

7251—First National Bank, Ramona, Ind. Ter. Capital, $25,000; Pres., A. S. Burrows; Vice-Pres., A. D. Morton; Cas., Charles P. Davis.

7252—First National Bank, Egan, S. D. Capital, $25,000; Pres., W. H. Pratt, Jr.; Vice-Pres., T. E. Spaulding; Cas., A. B. Larson.

7253—First National Bank, Quincy, Fla. Capital, $50,000; Pres., John H. Carter; Vice-Pres., W. H. Davidson; Cas., W. H. Ide.

7254—First National Bank, Prestonsburg, Ky. Capital, $25,000; Pres., R. E. Stanley; Vice-Pres., James Goble; Cas., J. M. Weddington; Asst. Cas., L. P. Mayo.

7255—Washington County National Bank, Granville, N. Y. Capital, $50,000; Pres., James E. Goodman; Vice-Pres., Arthur H. Morrow; Cas., John C. Thomson.

7256—First National Bank, Versailles, Mo. Capital, $30,000; Pres., Joel D. Hubbard; Vice-Pres., G. W. Petty; Cas., W. W. Moore; Asst. Cas., W. T. Petty.

7257—First National Bank, Annona, Tex. Capital, $25,000; Pres., R. N. Boswell; Vice-Pres., R. F. Scott; Cas., Ira C. Bryant.

7258—Farmers and Merchants' National Bank, Onley, Va. Capital, $50,000; Pres., Ben T. Gunter; Vice-Pres., J. W. Rogers, Jno. S. Parsons and A. J. McMaster; Cas., W. C. Parsons; Asst. Cas., V. S. Burton.

7259—Redlands National Bank, Redlands, Cal. Capital, $50,000; Pres., K. C. Wells; Vice-Pres., M. M. Phinney; Cas., H. H. Ford; Asst. Cas., C. C. Wells.

7260—First National Bank, Odon, Ind. Capital, $25,000; Pres., Lowry Cooper; Vice-Pres., Harry H. Crooke; Cas., W. C. Garten.

7261—First National Bank, Lineville, Ia. Capital, $25,000; Pres., J. P. Jordan; Vice-Pres., Geo. Rockhold; Cas., P. A. Rockhold; Asst. Cas., H. S. Petty.

7262—First National Bank, Scenery Hill, Pa. Capital, $25,000; Pres., Geo. E. Renshaw; Vice-Pres., F. I. Patterson: Cas., G. M. Mitchell; Asst. Cas., C. E. Hill.

7263—Old National Bank, Washington, Pa. Capital, $150,000; Pres., C. S. Ritchie; Vice-Pres., S. M. Templeton and John W. Seaman; Cas., Robert McCarrell.

7264—First National Bank, Fairchild, Wis. Capital, $25,000; Pres., N. C. Foster; Vice-Pres., W. K. Coffin; Cas., Wm. F. Hood; Asst. Cas., Hattie M. Foss.

7265—First National Bank: Williamstown, N.J. Capital, $25,000; Pres., W. H. Bodine; Vice-Pres., Luther M. Halsey: Cas., Jan van Herwerden.

7266—Citizens' National Bank, Meridian, Miss. Capital, $150,000; Pres., W. A. Brown; Vice-Pres., H. M. Street and J. E. Reed; Cas., W. G. Simpson; Asst. Cas., Paul Brown.

NEW BANKS, BANKERS, ETC.

ALABAMA.

Bessemer—Bessemer State Bank; capital, $30,000; Pres., W. W. Hollinsworth; Vice-Pres., W. H., Porter; Cas., E. A. Shelfer.

Collinsville—Farmers and Merchants' Bank; capital, $25,000: Pres., B. A. Nowlin; Vice-Pres., C. B. Forman; Cas., L. M. Dyke.

Oneonto—Oneonto Bank and Trust Co.: capital, $20,000; Pres., F. G. Donehoo; Vice-Pres., T. H. Davidson; Cas., Albert Spencer.

ARIZONA.

Paradise—A. H. Raynolds.

ARKANSAS.

Huntington—Bank of Huntington: capital, $5,000; Pres., John W. McDonnell: Vice-Pres., Tom Spears: Cas., Geo. M. Talbott.

Knobel—Bank of Knobel: Pres., Jos. Sellmeyer: Vice-Pres., R. Whitaker; Cas., H. C. Sellmeyer.

Lake Village—Bank of Lake Village; capital, $20,000; Pres., Walter Davies; Vice-Pres., Frank Strong; Cas., H. C. Moore.

Mount Ida—Montgomery County Bank: capital, $7,000: Pres., W. D. Jones; Vice-Pres., J. S. Nelson; Cas., L. L. Beavers.

CALIFORNIA.

Kingsburg—Kingsburg State Bank; capital, $25,000: Pres., D. S. Snodgrass: Vice-Pres., Levi Garrett; Cas., A. T. Lindgren.

Los Angeles—Home Savings Bank: capital, $100,000: Pres., R. J. Waters: Vice-Pres., W. F. Swayze and Isaac Springer; Cas., O. J. Wigdal.

Redlands—Union Savings Bank; capital, $12,500: Pres., K. C. Welles; Vice-Pres., H. H. Ford and E. W. Lyon; Cas., E. C. Clines.

Willets—Bank of Willets; capital, $50,000; Pres., P. N. Lilienthal; Vice-Pres., W. A. S. Foster; Cas., W. H. Baechtel.

COLORADO.

Arvada—Jefferson County Bank; capital, $5,000; Pres., B. M. Narron; Cas., B. U. Jamison.

Boulder—Mercantile Bank and Trust Co.; capital, $50,000; Pres., Albert A. Reed: Vice-Pres., Walter H. Nichols; Cas., Houston Jones.

Longmont—Commercial Bank; capital, $30,000; Pres., Rodney Hill; Cas., John E. Hill.

CONNECTICUT.

So. Manchester—Manchester Trust and Safe Deposit Co.; capital, $50,000; Pres., C. G. Watkins; Vice-Pres., J. T. Robertson; Sec. and Treas., G. H. Houghton.

GEORGIA.

Hoschton—Bank of Hoschton; capital, $15,000; Pres., L. C. Allen: Vice-Pres., J. E. Hill and W. H. Toole; Cas., B. F. Wilson.

Clayton—Bank of Clayton: capital, $15,000; Pres., J. W. Peyton: Cas., T. A. Duckette.

Guyton—Effingham County Bank; capital, $15,000; Pres., W. S. Witham; Cas., B. F. Burnette.

Kingston—Bank of Kingston; capital, $15,000: Pres., L. P. Gains: Cas., R. C. Bacheller.

Pine View—Bank of Pine View; capital, $15,000; Pres., J. J. Dennard; Cas., W. W. Edwards.

Wrens Bank of Wrens; Pres., W. S. Witham; Vice-Pres., L. R. Farmer; Cas., S. A. Agnew.

IDAHO.

Stites—First Bank, Ltd.; capital, $25,000; Pres., E. Ashley Mears; Vice-Pres., Norman T. Mears: Cas., Clarence L. Becker.

ILLINOIS.

Carmi—White County Bank; capital, $30,000; Pres., Frank E. Pomeroy; Vice-Pres., A. S. Rudolph; Cas., Frank E. Pomeroy; Asst. Cas., G. A. Raglin.

Chambersburg—Exchange Bank; Pres., J. M. Chenoweth; Vice-Pres., J. H. Dennis; Cas., H. B. Dennis.

Fairmont—Iles and White Bank; capital, $10,000; Pres., Chas. S. Iles; Cas., H. E. White.

Glen Ellyn—Ruskin Industrial Bank; Cas., O. A. Ross.

Villa Grove—Douglas County Bank; Pres., A. W. Brugg; Cas., H. V. Bowman.

INDIANA.

Danville—Danville State Bank (successor to Parker, Crabb & Co.); capital, $25,000; Pres., Henry Hadley; Vice-Pres., Julius D. Hogate; Cas., Horace C. McVey; Asst. Cas., Oliver M. Piersol.

Edwardsport—Edwardsport Bank; Pres., J. F. Scudder; Vice-Pres., S. T. DeMoss; Cas., R. R. Reeve.

Kempton—State Bank (successor to Bank of Kempton); capital, $25,000; Pres., Chas. Van Voorst: Vice-Pres., Newton Campbell; Cas., D. C. Jackson; Asst. Cas., Almira E. Cox.

LA FAYETTE—State Bank; capital, $25,000; Pres., Levi Oppenheimer; Vice-Pres., Ferd. Dryfus; Cas., J. M. Oppenheimer.

INDIAN TERRITORY.

AFTON—Afton State Bank; capital, $12,500; Pres., James R. Dawson; Vice-Pres., M. A. Painter; Cas., F. M. Reed.

CADDO—Tribal Bank and Trust Co.; Sec. and Treas., O. R. Nicholson.

COALGATE - Choctaw State Bank; capital, $12,500; Pres., Wright Christian; Vice-Pres., J. F. Rush; Cas., H. R. Nichols.

IOWA.

ELWOOD—Elwood Savings Bank; capital, $10,000; Pres., Geo. E. Langham; Vice-Pres., Jos. Sadler; Cas., A. L. Cook; Asst. Cas., W. S. Hill.

DES MOINES—Mechanics' Savings Bank; capital, $50,000; Pres., H. B. Wyman; Vice-Pres., J. L. Carey; Cas., G. E. MacKinnon.

GRAETTINGER — American Savings Bank; capital, $10,000; Pres., J. A. Spies; Vice-Pres., A. E. Burdick; Cas., J. B. Lambe.

NEWELL — Bank of Newell (successor to Judge & Norton); Pres., J. T. Norton; Cas., H. A. Harvey.

SIDNEY—Sidney Banking Co. (successor to W. B. White); Pres., Jos. Samuels; Cas., Milton Estes; Asst. Cas., J. Vance Samuels.

SIGOURNEY—Citizens' Savings Bank; capital, $25,000; Pres., Henry Snakenberg; Vice-Pres., A. O. Scheffer; Cas., S. W. Richardson; Asst. Cas., F. D. Snakenberg.

KANSAS.

ARRINGTON—Arrington State Bank; capital, $10,000; Pres., A. B. Harvey; Vice-Pres., Frank Hunn; Cas., J. H. Best.

HOME - State Bank of Home City; capital, $10,000; Pres., Josiah Thomas; Vice-Pres., A. R. Wuester; Cas., J. B. Wuester; Asst. Cas., Regina Peterson.

LENEXA—Farmers' Bank; capital, $10,000; Pres., E. H. Haskin; Vice-Pres., J. W. Teas; Cas., E. J. McCreary, Jr.

SAFFORDVILLE — Saffordville State Bank; capital, $15,000; Pres., Henry I. Masche; Vice Pres., J. A. Lind; Cas., E. C. Wakemson.

TYRO—Tyro State Bank; capital, $10,000; Pres., J. Lenhart; Vice-Pres., J. P. Donohue; Cas., R. L. Teegarden.

KENTUCKY.

HAZEL—Bank of Hazel; capital, $7,500; Pres., H. F. Rose; Vice-Pres., R. W. Chrisman; Cas., H. T. Ogden.

LOUISIANA.

ZWOLLE—Bank of Zwolle; capital, $10,000; Pres., J. W. Ferguson; Vice-Pres., E. S. Woodfin and P. G. Pye; Cas., S. P. Hulbert.

MARYLAND.

SUDLERSVILLE—Sudlersville Savings Bank; capital, $7,500; Pres., Jos. E. George; Vice-Pres., Foster Sudler; Cas., E. J. Merrick.

MASSACHUSETTS.

BOSTON—Commonwealth Trust Co. (successor to Colonial National Bank); capital, $1,000,000; Pres., David Lord; Treas., C. F. Smith; Asst. Treas., F. E. Seaver.

MICHIGAN.

CARO—State Savings Bank (successor to Carson & Ealy); capital, $50,000; Pres., T. W. Atwood; Vice-Pres., G. H. Slocum; Cas., J. M. Ealy; Asst. Cas., Louis Wean.

SAGINAW—Citizens' Bank; Pres., W. V. Penoyar; Mgr., W. A. Baker.

MINNESOTA.

ALDEN—Security State Bank (successor to Farmers and Merchants' Bank); capital, $10,000; Pres., E. P. Greeley; Vice-Pres. and Cas., James McConnell.

BUTTERFIELD—State Bank (successor to Bank of Butterfield); capital, $12,000; Pres., J. O. Lysne; Vice-Pres., J. F. Ennis; Cas., A. A. Lysne; Asst. Cas., J. Brogger.

GAYLORD — Citizens' State Bank; capital, $15,000; Pres., A. W. Sternke; Vice-Pres., Jacob Klossner, Jr.; Cas., S. J. Maurer.

HITTERDAL—Security State Bank (successor to Security Bank); capital, $10,000; Pres., Theo. Tingdahl; Vice-Pres., M. J. Solum; Cas., P. V. Wisinger.

PENNOCK — State Bank; capital, $10,000; Pres., Andrew Larson; Vice-Pres., D. N. Tallman; Cas., J. F. Millard; Asst. Cas., E. L. Thorpe.

SPICER—Green Lake State Bank; capital, $10,000; Pres., B. F. Kucheman; Vice-Pres., F. H. Harris; Cas., J. L. Brown.

MISSISSIPPI.

BELZONA -Bank of Belzoni (Branch of Grenada Bank); Mgr., Willis Bromfield.

UTICA—People's Bank; capital, $25,000; Pres., G. E. Ellis; Vice-Pres., Geo. Mimms, Jr.; Cas., D. H. Laney.

MISSOURI.

FARMINGTON—Farmers' Bank; capital, $12,500; Pres., H. S. Whitener; Vice-Pres., Phil A. Shaw; Cas., L. H. Williams.

ALTAMONT—Citizens' State Bank; capital, $5,000; Pres., Benj. Steele; Vice-Pres., Simon Grow; Cas., Silas Riggs.

SUMMERSVILLE—Summersville State Bank; capital, $5,000; Pres., E. H. Charles; Vice-Pres., James McCaskill; Cas., M. N. Summers.

MONTANA.

BUTTE—Yegen Bros. Savings Bank; Cas., G. A. Griggs.

NEIHART - D. J. Condon (successor to State Bank); capital, $5,000.

NEBRASKA.

CAMPBELL—Commercial State Bank; capital, $10,000; Pres., E. S. Chevalier; Vice-Pres., R. C. Chevalier; Cas., J. H. Chevalier.

NEW YORK.

JAMAICA—Queens County Trust Co.; capital, $500,000; Pres., Frank Squier; Vice-Pres., Wm. M. Griffith; Sec., John L. Wyckoff.

WESTHAMPTON BEACH—Seaside Bank: capital, $25,000; Pres., Erastus F. Post; Vice-Pres., Alanson P. Rogers; Cas., Hermon D. Bishop.

NORTH CAROLINA.

HILLSBORO—Bank of Orange: capital, $5,000; Pres., J. S. Spurgeon; Vice-Pres., Chas. A. Scott; Cas., Paul C. Collins.

ROXBORO - Bank of Roxboro; capital, $10,-000; Pres., E. P. Reade; Vice-Pres., J. M. Blalock; Cas., W. F. Long.

SANFORD—Banking Loan and Trust Co.: capital, $10,000; Pres., A. W. Huntley; Cas., J. W. Cunningham.

SMITHFIELD—Smithfield Savings Bank; capital, $10,000; Pres., W. L. Woodall; Vice-Pres., Wm. M. Sanders; Cas., Jos. H. Abell

NORTH DAKOTA.

ELLENDALE — Bank of Ellendale; capital, $15,000; Pres., B. W. Schonweiler; Vice-Pres., M. M. Irwin; Cas., H. C. Peek.

GWINNER — Gwinner State Bank; capital, $10,000; Pres., T. F. Marshall; Vice-Pres., A. N. Carlblom; Cas., J. A. Bunday.

OHIO.

ALBANY—Albany Bank; capital, $10,000; Pres., C. T. Hiteshew; Cas., J. S. Howard.

BELMORE—Farmers and Merchants' Bank; Pres., Ellis Bartholomew; Cas., F. L. McConnell.

COLUMBUS—Colonial Banking Co.; capital, $24,000; Pres., Francis A. T. Spies; Vice-Pres., A. J. Evans; Cas., Frank Frankenberg.

GERMANTOWN—Farmers and Citizens' Bank; Pres., F. T. Antrim; Vice-Pres., E. I. Antrim; Cas, Bernard M. West.

MARENGO—Marengo Banking Co.; capital, $15,000; Pres., B. B. Lewis; Vice-Pres., J. D. Vail; Cas., J. W. Pratt.

MARIETTA—D. A. Cameron & Sons; capital, $100,000; Pres., D. A. Cameron; Vice-Pres., A. A. Cameron; Cas., C. F. Holst.

MILLERSBURG — Farmers and Merchants' Bank Co.; capital, $18,000; Pres., James A. Uhl; Vice-Pres., F. F. Smith; Cas., W. A. Miller.

OKLAHOMA.

ALVA—Farmers' State Bank; capital, $10,000; Pres., G. Kletke; Vice-Pres., D. J. Dimmick; Cas., R. R. Mathews.

GOTEBO—Bank of Gotebo (successor to Harrison Bank); capital, $5,000; Pres., M. F. Pierce; Vice-Pres., R. B. Wells; Cas., J. G. Hill.

HEADRICK—Citizens' Bank; capital, $10,000; Pres., B. C. Majors; Vice-Pres., J. K. Taylor; Cas., J. E. Ernst.

RALSTON—Bank of Commerce; capital, $10,-000; Pres., C. P. Rock; Vice-Pres., J. O. Coles; Cas., Geo. H. Smith.

SOUTH DAKOTA.

IROQUOIS—State Bank; capital, $10,000; Cas., D. F. Wilmarth.

LAKE ANDES—Lake Side State Bank; capital, $5,000; Pres., T. E. Andrews; Cas., A. Vandervoort.

TENNESSEE.

BIG SANDY—Citizens' Bank; capital, $5,000; Pres., S. W. Bullock; Vice-Pres., W. Caraway; Cas., H. A. Caraway.

CEDAR HILL—Bank of Cedar Hill; capital, $5,000; Pres., B. S. Byrnes; Vice-Pres., E. S. Hawkins; Cas., B. F. Allmutt.

GIBSON—Bank of Gibson; capital, $10,000; Pres., J. T. Warmath; Vice-Pres., J. H. Hunt; Cas., R. N. James.

HALLS—People's Savings Bank and Trust Co.; capital, $12,500; Pres., Samuel Young; Vice-Pres., W. F. Wilson; Cas., J. G. Young; Asst. Cas., Elery Furgerson.

ORLINDA—Bank of Orlinda; Pres., J. A. Crocker; Vice-Pres., J. M. Jones; Cas., J. H. Woodard.

TEXAS.

BOVINA—Herring & Laird; Pres., C. T. Herring, Vice-Pres., A. Laird; Cas., H. B. Farrell.

KRUM—Continental Bank and Trust Co.

MCGREGOR—Wilson-Barclay Banking Co.

REFUGIO—Bank of Refugio; Pres., J. B. McCampbell; Vice-Pres. and Cas., L. R. Jeter; Asst. Cas., James A. Burke.

RHOME—First Bank; capital, $10,000; Pres., W. T. Waggoner; Vice-Pres., Furd Halsell; Cas., C. E. Martin.

STRAWN—Bank of Strawn; capital, $15,000; Pres., W. H. Eddleman; Vice-Pres., S. B. Strawn; Cas., R. C. Hinkson; Asst. Cas., J. E. Orme.

VIRGINIA.

ROANOKE—American Savings Bank; capital, $25,000; Pres., Geo. H. P. Cole; Vice-Pres., W. W. Moffett; Cas., Thomas G. Anderson.

WASHINGTON.

BICKLETON—Bank of Bickleton; capital, $15,-000; Pres., Geo. W. McCredy; Vice-Pres., Stephen Matsen; Cas., S. A. Rossier.

COULEE CITY—Bank of Coulee City; capital, $15,000; Pres., H. M. Serkland; Cas., James Ownby; Asst. Cas., F. Kolstad.

DAVENPORT—People's Savings Bank; Pres., H. H. McMillan; Vice-Pres., S. Reinbold; Sec., F. W. Anderson; Treas., E. W. Anderson.

KRUPP—German-American Bank (successor to Bank of Krupp); Pres., J. D. Bassett; Vice-Pres., Chas. Peterson; Cas., J. W. Brewer.

ST. JOHN—St. John State Bank; capital, $15,-000; Pres., John Terhune; Cas., Harry Terhune.

WISCONSIN.

BRILLION—First State Bank (successor to Citizens' Bank); capital, $25,000; Pres., E. Decker; Vice-Pres., W. V. McMullen; Cas. H. J. Wunderlich.

CHIPPEWA FALLS — Northwestern State Bank; capital, $80,000; Pres., S. C. F. Cob-

ban; Vice-Pres., Thos. Kelly; Cas., P. T. Favell.

ELMWOOD—First State Bank; capital, $5,000; Pres., O. U. Groot; Vice-Pres., H. Bell; Cas., J. Lapayn.

CANADA.

BRITISH COLUMBIA.

CUMBERLAND—Royal Bank of Canada.

MANITOBA.

PORTAGE LA PRAIRIE—Bank of Montreal.

ONTARIO.

BURFORD—Crown Bank of Canada (successer to Allan D. Muir).

BURKS FALLS—Sovereign Bank of Canada (successor to Clay, Sharpe & Co.).

MOUNT FOREST—Sovereign Bank of Canada (successor to J. A. Halsted & Co.).

STREETSVILLE—Metropolitan Bank.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

SELMA—Selma National Bank; E. Carlisle Melvin, Pres. in place of John Carraway, resigned.

WYLAM—Bank of Wylam; Albert Spencer, Asst. Cas., resigned.

ARKANSAS.

PINE BLUFF—Simmons National Bank; Jo. Nichol, Cas. in place of N. B. Sligh; no Asst. Cas. in place of Jo. Nichol.

CALIFORNIA.

AZUSA—Azusa Valley Bank; H. S. Johnson, Asst. Cas. in place of W. M. Griswold.

COVINA—First National Bank; Herman W. Hellman, Pres. in place of C. H. Ruddock; W. M. Griswold, Cas. in place of F. M. Douglass.

OAKLAND—Oakland Bank of Savings; Edw. C. Hagar, Asst. Cas., deceased.

PASADENA—Pasadena National Bank; Gus. H. Bauer, Vice-Pres.

RIVERSIDE—Union Savings Bank; absorbed by Riverside Savings Bank and Trust Co.

SAN PEDRO—Bank of San Pedro and Citizens' Savings Bank consolidated.

COLORADO.

CASTLE ROCK—First National Bank of Douglas Co.; E. P. Brown, Cas., deceased.

CONNECTICUT.

NEW HAVEN—Newton & Parish; succeeded by James H. Parish & Co.

DISTRICT OF COLUMBIA.

WASHINGTON—Washington Savings Bank; O. G. Staples, Pres. in place of Lorin M. Saunders, resigned.

GEORGIA.

STATESBORO—Bank of Statesboro; capital increased from $50,000 to $75,000.

IDAHO.

EMMETT—First National Bank; W. R. Cartwright, Pres. in place of W. R. Sebree; C. P. Bilderback, Vice-Pres. in place of W. R. Cartwright.

ILLINOIS.

DUNDEE—First National Bank; A. F. Chapman, Pres. in place of Delos Denton; Wm. McCredie, Vice-Pres. in place of A. F. Chapman; Robert Schultz, Cas. in place of Edwin S. Hubbell; no Asst. Cas. in place of C. C. Wolaver.

INDIANA.

DECATUR—Old Adams County Bank; David Studebaker, Vice-Pres., deceased.

INDIANAPOLIS—Security Trust Co.: William F. Churchman, Pres. in place of A. C. Daily; Gavin L. Payne, First Vice-Pres.; Geo. J. Marott, Second Vice-Pres.; Alfred M. Ogle, Treas.

PAOLI—Orange County Bank; A. B. Ham, Cas., resigned.

IOWA.

CORRECTIONVILLE—Merchants' State Bank; J. W. Roland, Asst. Cas.

DAVENPORT—Security Savings Bank; Otto Eckhardt, Cas. in place of Julius Rockau.—Farmers and Mechanics' Bank; William Gruenwald, Asst. Cas. in place of Otto Eckhardt.

GREENFIELD—First National Bank; W. W. Burrell, Cas. in place of H. N. Linebarger; O. E. Heacock, Second Asst. Cas.

LIME SPRINGS—First National Bank; no Asst. Cas. in place of Clarence W. Lee.

SIOUX CITY—Security National Bank: Thos. A. Black, Vice-Pres.; C. N. Lukes, Cas. in place of Thomas A. Black.——First National Bank; Harry A. Gooch, Cas. in place of C. N. Lukes.

TIPTON—City National Bank; F. D. Wingert, Vice-Pres. in place of W. W. Aldrich, deceased.

WATERLOO—Black Hawk National Bank and Waterloo National Bank; consolidated.

KANSAS.

FORT SCOTT—Bank of Fort Scott; Chas. Nelson, Pres.; I. S. Bahney, Vice-Pres.

LATHAM—Latham State Bank and People's State Bank; consolidated under latter title; capital, $12,000.

LEAVENWORTH—Kansas and Missouri State Savings Bank; A. A. Fenn, Pres.

KENTUCKY.

CYNTHIANA—National Bank of Cynthiana; W. M. Moore, Vice-Pres. in place of Higgins C. Smith.

LEBANON—Citizens' National Bank; Robert B. Lancaster, Pres., deceased.

LOUISVILLE—Columbia Finance and Trust Co.; L. W. Botts, Second Vice-Pres.; L. M. Render, Sec.

LOUISIANA.

ABBEVILLE—Bank of Abbeville; capital increased to $100,000.

MAINE.

AUGUSTA—Augusta Savings Bank; Chas. R. Whitten, Treas. in place of Treby Johnson.

MARYLAND.

BALTIMORE—Eastern Security Co.; Nelson Perin, Pres., deceased.

MASSACHUSETTS.

BEVERLY — Beverly Savings Bank; John Girdler, Vice-Pres.

BOSTON — Union Institution for Savings; William Pelletier, Second Vice-Pres.; Thomas J. Kelley, Treas. in place of William S. Pelletier. —— American National Bank; C. H. Collins, Act. Pres., in place of H. J. Patterson, resigned. —— Blackstone Savings Institution; Louis A. Frothingham, Pres.

CHELSEA — Winninsimmet National Bank; Augustus L. Thorndike, Pres. in place of Albert D. Bosson.

LENOX—Lenox National Bank; Thomas Post, Vice-Pres. in place of William D. Curtis.

SPRINGFIELD — Springfield National Bank; capital increased to $250,000.

WALTHAM—Waltham National Bank; Chas. H. Moulton, Pres. in place of Hamblin L. Hovey, deceased; Henry N. Fisher, Vice-Pres.

WESTBORO—Westboro Savings Bank; M. H. Walker, Vice-Pres.

MICHIGAN.

DETROIT — Home Savings Bank; W. K. Anderson, Vice-Pres. in place of E. F. Conely, deceased.

IONIA—Ionia County Savings Bank; absorbed by State Savings Bank.

MARLETTE - Marlette State Bank; absorbed by Commercial State Bank; capital, $40,000.

ST. JOSEPH—Commercial National Bank; A. N. Reece, Cas.

MINNESOTA.

CAMPBELL—First National Bank; V. S. Kidd, Cas. in place of D. C. Smutz.

CANBY—First National Bank; John Swenson, Pres. in place of J. G. Lund; J. E. Vanstrom, Cas. in place of S. J. Forbes; no Asst. Cas. in place of J. E. Vanstrom.

CHATFIELD — First National Bank; H. S. Griswold, Vice-Pres.; F. C. Lovell and I. E. Ober, Asst. Cashiers.

FARIBAULT — First National Bank; S. S. Crossett, Asst. Cas. in place of Thomas C. Gardner.

FERTILE — Citizens' National Bank; A. P. Hanson; Cas.; Ed. Mossefin, Asst. Cas.

MANKATO — First National Bank; G. M. Palmer, Pres. in place of S. Lamm, deceased; L. S. Lamm, Vice-Pres. in place of G. M. Palmer.

MINNEAPOLIS - National Bank of Commerce; F. E. Kenaston, Vice-Pres. in place of H. H. Thayer.

MONTICELLO—Citizens' State Bank; T. G. Mealey, Pres., deceased.

SLEEPY EYE—State Bank; Francis Hamilton Dyckman, Pres., deceased.

ST. PAUL—State Savings Bank; Julius M. Goldsmith, Treas., deceased.

MISSOURI.

RICHARDS—Bank of Richards; R. T. Wall, Pres., deceased.

ST. LOUIS—American Central Trust Co.; absorbed by Mercantile Trust Co.

NEBRASKA.

McCOOK—First National Bank; A. Campbell, Pres. in place of Geo. Hocknell.

PONCA—Citizens' State Bank; absorbed by Security Bank.

REYNOLDS — Farmers' Bank; I. Bonham, Pres.; S. H. Bacon, Vice-Pres.; G. W. Bacon, Cas.

SO. OMAHA—South Omaha National Bank; H. C. Bostwick, Cas. in place of C. B. Anderson.

NEW HAMPSHIRE.

NASHUA—Nashua Trust Co.; resumed business May 26.

NEW JERSEY.

MORRISTOWN—Morris County Savings Bank; Philander B. Pierson, Pres.; Guy Minton, Vice-Pres.; D. H. Rodney, Sec. and Treas.

NEWARK—Federal Trust Co.; James Smith, Pres. in place of Andrew Kirkpatrick, deceased.

PRINCETON—First National Bank; no Cas. in place of S. H. Blackwell; D. M. Flynn, Asst. Cas.

SOMERVILLE—First National Bank; Jno. G. Gaston, Vice-Pres. in place of J. J. Bergen.

NEW YORK.

BROOKLYN—South Brooklyn Savings Institution; Clarence S. Dunning, Treas. in place of Henry S. Anderson, deceased; Jacob Steiner, Sec.—— Merchants' Bank; Louis Beers, Pres. in place of E. M. Hendrickson.

BUFFALO—German Bank; Richard Emory, Pres. in place of Eugene A. Georger.

COOPERSTOWN — Second National Bank; Adriel G. Murphy, Vice-Pres. in place of Geo. Van Horn, deceased.

ELMIRA—Second National Bank; D. M. Pratt, Pres. in place of Seymour Dexter, deceased; M. Y. Smith, Cas. in place of D. M. Pratt; E. R. Clarke, Asst. Cas. in place of M. Y. Smith; R. B. Delo, Second Asst. Cas.

FRANKLINVILLE—Union National Bank; J. X. Williams, Cas. in place of R. S. Litchfield.

FREEPORT—Freeport Bank; Chauncey T. Sprague, Vice-Pres., deceased.

HEMPSTEAD—First National Bank; Chauncey Bedell, Vice-Pres., deceased.

HOMER—Homer National Bank; Augustus H. Bennett, Pres., deceased.

MIDDLETOWN—First National Bank; Seymour DeWitt, Pres. in place of Cornelius Macardell, deceased; D. L. Conklin, Cas. in place of Seymour DeWitt.

MILLERTON—Millerton National Bank; Baldwin Reed, Vice-Pres. in place of James R. Payne, deceased.

NEW YORK—Hanover National Bank; Elmer E. Whittaker, Cas. in place of Wm. Logan, deceased.——Thirty-Fourth Street National Bank; John P. Munn, First Vice-Pres.; Clinton E. Braine, Second Vice-Pres.; Walter R. B. Leaning, Asst. Cas.——Mechanics' National Bank; G. W. McGarrah, Pres.; Andrew A. Knowles, Third Vice-Pres.; Frank O. Roe, Cas. in place of Andrew A. Knowles.——Merchants' National Bank; Samuel S. Campbell, Cas. in place of Wm. B. T. Keyser; A. S. Cox, Asst. Cas.——Trust Company of America; Ashbel P. Fitch, Pres., deceased.——United States Mortgage and Trust Co.; Carl G. Rasmus, Treas. in place of Edward T. Perine; Wm. C. Ivison, Asst. Treas.

PEEKSKILL—Westchester County National Bank; Jno. Towart, Jr. and F. I. Pugsley, Asst. Cas.

PORTCHESTER—First National Bank; John W. Lounsbury, Vice-Pres., deceased.

WALDEN—National Bank of Walden; Rensselaer A. Demarest, Cas. in place of W. C. Stevens; Edward Whitehead, Asst. Cas.

NORTH CAROLINA.

LILLINGTON—National Bank of Lillington; T. C. Young, Cas. in place of J. W. Cunningham.

OHIO.

BELLAIRE—First National Bank; James T. Kelly, Cas. in place of A. P. Tallman, deceased.

BOWLING GREEN—Wood County Savings Bank; capital increased to $100,000.

CINCINNATI—Ohio Valley National Bank; C. B. Wright, Pres. in place of James Espy: no Vice-Pres. in place of C. B. Wright; Emil Baur, Asst. Cas.

DUNKIRK—First National Bank; Charles L. Fulks, Cas. in place of M. A. Boyer.

KALIDA—First National Bank; J. W. Miller, Cas. in place of W. C. Burkhart.

LA RUE—Campbell National Bank; I. S. Guthery, Pres. in place of Wm. J. Campbell; L. G. Copeland, Vice-Pres. in place of I. S. Guthery.

MONROEVILLE—First National Bank; B. W. Salisbury, Cas., deceased.

MOUNT VERNON—Knox County Savings Bank; Goshorn A. Jones, Pres., deceased.

NEWARK—People's National Bank; T. B. Fulton, Cas. in place of Edson B. Dennis.

NILES—First National Bank; Andrew J. Leitch, Pres., deceased.

PLYMOUTH—First National Bank; W. B. Cuykendall, Vice-Pres., deceased.

OKLAHOMA.

BLACKWELL—Blackwell National Bank; W. M. Vickery, Vice-Pres. in place of Russel Durrill.

EL RENO—First National Bank; H. C. Bradford, Pres. in place of T. C. Phillips; W. H. Criley, Vice-Pres.; L. A. Wilson, Cas. in place of J. A. La Bryer; H. L. Chowning, Asst. Cas. in place of F. B. Hughes.

GUTHRIE—Logan County Bank; W. H. Coyle, Pres. in place of C. M. Barnes.

HENNESSEY—First National Bank; W. A. Rhodes, Asst. Cas. in place of G. T. Moore.

HOBART—Farmers and Merchants' National Bank; in hands of Receiver April 22; authorized to resume business May 19.

LAWTON—City National Bank: F. M. English, Pres. in place of Geo. M. Paschal; S. M. King, Vice-Pres. in place of W. M. McGregor; E. E. Shipley, Cas. in place of F. M. English; no Asst. Cas. in place of W. J. Donald.

MANGUM—Farmers' State Bank; capital increased to $25,000.

NEWKIRK—Santa Fe Bank; capital increased to $50,000.

PERRY—First National Bank; G. A. Foster, Pres. in place of H. C. Wallerstedt.

PRAGUE—First National Bank; H. Josey, Pres. in place of J. F. Ayars; E. L. Conklin, Vice-Pres. in place of H. Josey.

PENNSYLVANIA.

CATAWISSA—First National Bank; no Vice-Pres. in place of C. P. Pfahler.

AMBLER—First National Bank; John S. Buchanan, Cas. in place of John J. Houghton; Wm. A. Davis, Asst. Cas.

CHESTER—Delaware County National Bank; T. M. Hamilton, Cas. in place of B. T. Hall.

CLIFTON HEIGHTS—First National Bank; E. E. Barry, Cas. in place of Evan E. Bartleson.

CONNELLSVILLE—Second National Bank; no Pres. in place of Joseph T. McCormick, deceased.

JENKINTOWN—Jenkintown Trust Company; J. Elwood Peters, Vice-Pres., deceased.

MAHANOY CITY—First National Bank; Edward S. Silliman, Pres., deceased.

MILLERSTOWN—First National Bank; A. H. Ulsh, Pres. in place of C. A. Rippman.

NORRISTOWN — People's National Bank; Lewis Styer, Cas., deceased.

PHILADELPHIA — Farmers and Mechanics' National Bank: H. B. Bartow, Cas.——Franklin National Bank; J. R. McAllister, Pres. in place of Henry Tatnall; no Vice-Pres. in place of J. R. McAllister; E. P. Passmore, Cas. in place of J. R. McAllister: C. V. Thackar, Asst. Cas. in place of E. P. Passmore.

PHILIPSBURG—First National Bank; William P. Duncan, Pres., deceased.

PITTSBURG—Safe Deposit & Trust Co., E. G. Normecut; Sec. in place of W. T. Howe, deceased.—— Fifth Avenue Bank; Herman H. Niemann, Pres. deceased.

PLEASANT UNITY—Pleasant Unity National Bank; J. B. Walter, Cas.

TRAFFORD CITY—First National Bank; no Vice-Pres. in place of H. L. Greer.

TYRONE—Farmers and Merchants' National Bank; E. J. Pruner, Pres., deceased.

VERONA—First National Bank; Blaine L. Stoner, Cas. in place of W. Emerson Barger; no Asst. Cas. in place of Blaine L. Stoner.

WASHINGTON — First National Bank; no Pres. in place of C. M. Reed.

TENNESSEE.

MORRISTOWN - First National Bank; J. F. Goodson, Pres. in place of C. V. Taylor.

TEXAS.

ABILENE—Citizens' National Bank; Morgan Weaver, Act. Asst. Cas. during absence of J. O. Shelton; C. M. Reed, Second Asst. Cas.

AMARILLO—Amarillo National Bank; A. G. Boyce, Vice-Pres. in place of J. T. Holland.

CHILDRESS—City National Bank; J. R. Neff, Cas. in place of S. P. Britt.

COVINGTON—First National Bank; J. Will Gilliam, Pres. in place of A. M. Douglass; no Vice-Pres. in place of R. J. Cowley.

DALHART — First National Bank; W. B. Slaughter, Pres. in place of H. J. Hammond; J. D. Rawlings, Vice Pres. in place of J. E. George; Coney C. Slaughter, Cas. in place of Robert Lauder; no Asst. Cas. in place of W. E. Smith.

EASTLAND—City National Bank; G. H. Connell, Pres. in place of J. M. Wagstaff; T. E. Downtain, Vice-Pres. in place of Ed. T. Cox; E. P. Davenport, Second Vice-Pres.; E. C. Edmonds, Cas. in place of W. C. Lasley.

GRAHAM—Beckham National Bank; S. R. Crawford, Pres. in place of E. B. Norman.

GRANBURY—City National Bank; Jno. E. Brown, Vice-Pres. in place of W. H. Eddleman.

GRAND VIEW—First National Bank; Dan E. Lydick, Cas. in place of R. E. Pitts.

HEMPSTEAD—Farmers' National Bank; Jno. C. Amsler, Pres. in place of A. C. Tompkins, deceased; L. D. Amsler, First Vice-Pres. in place of John C. Amsler; G. S. Osborne, Second Vice-Pres.

MUNDAY - First National Bank; J. F. Pool, Cas. in place of R. C. Montgomery.

NACOGDOCHES--Stone Fort National Bank; I. L. Sturdevant, Cas. in place of J. W. Saunders.

PALESTINE—Palestine National Bank; John Carson, Asst. Cas.

TIMPSON—First National Bank; T. S. Garrison, Vice-Pres.; Bernard J. Hawthorn, Cas. in place of T. S. Garrison.

UTAH.

RICHFIELD - Richfield Commercial and Savings Bank; capital increased to $50,000.

VERMONT.

RUTLAND—Baxter National Bank; John A. Mead, Pres. in place of A. W. Hyde.

VIRGINIA.

COVINGTON—Citizens' National Bank; R. F. Bopes, Pres., resigned.——Covington National Bank; E. M. Nettleton, Vice-Pres. in place of W. A. Rinehart; no Second Vice-Pres. in place of E. M. Nettleton.

LEBANON—Citizens' National Bank; G. H. Dickenson, Asst. Cas.

PORTSMOUTH—Bank of Portsmouth; Joseph L. Bilisoly, Cas., deceased.

RICHMOND—First National Bank; Virginius Newton, Pres., deceased; also President Union Bank.——Southern Trust Co.; John Addison, Pres., deceased.

WEST VIRGINIA.

PARKERSBURG—Parkersburg National Bank; Charles A. Bukey, Cas. in place of J. W. Leese; no Asst. Cas. in place of Charles A. Bukey.

WISCONSIN.

EDGERTON — First National Bank; Wirt Wright, Cas. in place of V. S. Kidd.

MARINETTE - First National Bank; Francis A. Brown, Pres. in place of Jesse Spaulding, deceased; J. F. Hancock, Vice-Pres. in place of Francis A. Brown.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

CONNECTICUT.

WINDSOR LOCKS - A. C. Wilcox & Co.

GEORGIA.

MACON—First National Bank; in hands of Receiver May 16.—I. C. Plant's Son.

INDIANA.

SILVER LAKE - Commercial Bank.

KANSAS.

ATLANTA—Atlanta State Bank.

NEBRASKA.

WAYNE—Wayne National Bank; in voluntary liquidation May 16.

NEW JERSEY.

CAPE MAY—First National Bank; in hands of Receiver May 24.

OHIO.

AKRON - Citizens' National Bank; in voluntary liquidation March 5.

NEWARK—Newark Savings Bank.

OKLAHOMA.

COVINGTON—Bank of Covington.

NARDIN—Farmers' State Bank.

ELK CITY—Elk City National Bank.

PENNSYLVANIA.

PITTSBURG—Tradesmen's National Bank; in voluntary liquidation March 29.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, June 3, 1904.

THE PANAMA CANAL PAYMENT AND GOLD EXPORTS were the dominating influences of last month. That the financial operation of paying $40,000,000 to the Canal Company at Paris, and $10,000,000 to the Panama Republic at Panama has been completed, is a relief to Wall street, although as yet it seems to have produced no stimulating effects. But the canal franchise has been purchased and paid for and the apprehensions which have exercised many minds ever since it was settled that the Government would make the purchase no longer have any reason for existing.

There have been some peculiar features attendant upon the payment of the $40,000,000 to the French company. The payment was made through J. P. Morgan & Co., and it is understood that all the gold actually shipped by that firm in conducting the operation was only about $18,000,000 in amount. Nevertheless nearly $41,500,000 of gold was shipped from New York during the month of May alone, and more than $60,000,000 between April, and May 31. The May shipments so closely approximated the amount to be paid for the canal that it is not surprising that the opinion prevailed that all the gold shipped was for that one purpose alone. Some of the gold exported, however, was for Japan's account and represented gold imported by that country and received on the Pacific Coast. Other exports are not so easy of explanation in view of the fact that the exports of merchandise continue to be largely in excess of imports.

The gold exports last month were exceptionally large in amount. In the first week of the month they exceeded $9,000,000, in the second week they were nearly $14,000,000, in the third week they were more than $15,000,000, and in the fourth week nearly $3,000,000. One vessel alone carried $9,020,022 in one shipment made on May 12, which not only made the record for a single shipment, but also was the largest amount of gold ever shipped on a single day. The demand for gold for export exhausted the supply of gold bars and made it necessary to delay some shipments until new bars could be manufactured.

The estimates made by the Treasury Department on the gold supply of the country show a decrease of nearly $39,000,000 in May, which would indicate that the large exports from New York were not offset by imports at that and other ports.

Of the decrease of $39,000,000 the Treasury lost $14,000,000 and there was withdrawn from circulation nearly $25,000,000. Some doubt may be raised as to these estimates by reason of the fact that while the net exports of gold in April are reported at more than $9,000,000, the Treasury Department estimated an increase of $3,000,000 in the total supply of gold in that month. This difference of $12,000,000 could not be accounted for in our domestic protection of gold.

Since the completion of the payments of the purchase price of the Panama Canal attention has been attracted to the financial condition of the Government. The first fact of interest is that the expenditures of the Government were $96,400,000 in May, while the receipts were only about $41,700,000, leaving a deficit of $54,700,000. The Government paid for the canal and for a loan to the St. Louis Exposition $54,600,000, leaving a deficit of about $100,000 as the result of the ordinary expen-

ditures of the Government. For the eleven months of the fiscal year the deficit is nearly $52,300,000, but excluding the extraordinary disbursements of last month there would be a surplus of $2,800,000, which compares with a surplus of $39,000,000 in the previous year. It is evident therefore that the ordinary revenues and expenditures are barely producing a surplus at the present time, in fact a deficit seems to be impending.

As far as the actual condition of the Treasury is concerned, however, there seems to be no reason for anticipating any unfavorable development. The end of May finds the Treasury with a cash balance of $313,287,515, with net cash in the Treasury vaults of $276,020,872, with a net gold balance of $217,591,391, and deposits in the National banks amounting to $114,583,126. A comparison of the Treasury balances on May 1 and June 1 will show what changes have followed in the large disbursements of last month :

	May 1, 1904.	*June 1, 1904.*
Balance in Treasury	$370,919,188	$313,287,515
Gold reserve	150,000,000	150,000,000
Available cash balance	$220,919,188	$163,287,515
Net cash in Treasury	$282,340,311	$276,020,875
Less gold reserve	150,000,000	150,000,000
Available cash in Treasury	$132,340,311	$126,020,872
Deposits in National banks	162,729,007	114,533,127
Net gold in Treasury	81,877,090	67,592,391

The Government has more than $67,500,000 gold on hand in excess of the $150,000,000 gold reserve. It also has $114,500,000 on deposit in the National banks. Deducting some $20,000,000 demand liabilities the available balance is $163,000,000, more than 40 per cent. of which is gold actually in the Treasury.

The Government since the first of February has been coining an extraordinary amount of gold, the total in the four months to June 1 amounting to nearly $170,000,000. In the entire year 1903 the gold coinage was less than $44,000,000 and in 1902 was about $47,000,000. The new coin has evidently not been going into circulation, but is being stored in the Treasury vaults and made the basis of gold certificate issues.

The position of the New York banks during the entire period of the financing of the canal affair has been one of exceptional strength. The loans and deposits have reached the highest figures ever recorded and the surplus reserve at the close of the month had reached nearly $36,000,000, the highest reported at this season of the year since 1899. A year ago the surplus was less than $10,000,000.

A majority of the trust companies formerly connected with the New York Clearing-House have withdrawn owing to the reserve requirement going into effect June 1. What will be the effect upon the weekly statements of the clearing-house can only be conjectured. That these institutions have had some part in the remarkable

Deposits.		Loans.	
July 7, 1877	$231,228,600	April 7, 1877	$260,196,800
July 23, 1881	352,658,800	July 9, 1881	352,856,800
Feb. 16, 1884	363,544,400	Mar. 20, 1886	359,685,300
Feb. 16, 1886	396,080,800	Mar. 20, 1887	370,917,500
Oct. 20, 1888	421,884,300	Oct. 13, 1888	397,243,200
July 6, 1889	445,797,500	July 6, 1889	423,405,000
June 18, 1892	543,663,100	June 18, 1892	496,564,000
Nov. 3, 1894	595,104,900	Sept. 14, 1895	522,698,900
Dec. 11, 1897	675,169,900	Dec. 24, 1897	610,606,300
Mar. 4, 1899	914,810,300	Mar. 4, 1899	780,607,700
Mar. 2, 1901	1,012,514,000	Mar. 9, 1901	918,789,600
Feb. 21, 1902	1,019,474,200	Mar. 1, 1902	938,191,200
May 7, 1904	1,131,712,800	May 14, 1904	1,078,928,600

growth in both deposits and loans reported by the banks admits of no question. It may be of interest to trace this growth since 1877 through the preceding record of maximum amounts recorded during the period.

The money market as reflected by the condition of the banks has shown continued ease, and the supply of money seems to be greater than the disposition to use it in investment ventures. Wall street has been particularly "blue" for some time past. The total transactions in stocks last month were very little in excess of 5,000,000 shares as compared with 12,000,000 shares in 1903 and 35,000,000 shares in 1901. The sales in May this year were the smallest recorded in any similar month since 1897. As to prices the market has been very unsatisfactory and few stocks made any gains. While prices seem low they do not advance. In May last year there was a very severe decline in the stock market and it will be remembered that the cause of the decline was supposed to be involved in some dark mystery. Few people, if any, were willing to concede that there were legitimate reasons for the decline or could be brought to believe that a prompt recovery would not follow. Yet prices last month, a year after the decline of May, 1903, were lower than the lowest recorded in that month. A comparison of the lowest prices of a few representative stocks in May, 1003, and 1904 compared with the highest prices in the year 1902 is presented in the following table:

	Highest, 1902.	Lowest, May, 1903.	Lowest, May, 1904.		Highest, 1902.	Lowest, May, 1903.	Lowest, May, 1904.
Atchison	96⅝	73⅛	67⅛	Mo., Kan. & Tex. Pref	69¾	52	34
Baltimore & Ohio	118⅛	86⅝	76¾	Missouri Pacific	125⅛	103⅛	88⅛
Canada Southern	97	67⅛	64⅛	New York Central	168⅜	124¾	113¼
Canadian Pacific	145¼	123⅛	116	Pennsylvania	170	125⅛	112¾
Ches. & Ohio	57⅛	38⅝	29	Reading	78⅛	47⅝	40⅝
Chic. & Alton	45⅝	27⅛	37⅛	Rock Island	50⅛	33⅛	20⅛
Chic. Mil. & St. Paul	198¾	147⅝	138¼	Southern Pacific	81¼	48⅜	44¾
Clev., Cin., Chic. & St. L.	108⅝	87	68⅛	Southern	38¾	26⅝	19¾
Del. & Hudson	184½	168	155	Tennessee Coal & Iron	74⅝	54	31⅝
Erie	44⅝	33	21⅛	Texas Pacific	54¾	30	20⅝
Illinois Central	173½	133¼	128⅛	Union Pacific	113¼	82⅝	81¼
Louisville & Nashville	159⅛	112	106⅝	U. S. Steel	46¾	30½	8⅝
Manhattan	158	135¼	142	" pref	97¾	80	51¼
Metropolitan Securities	134⅛	90	75	Wabash pref	54½	43¾	32¾
Metropolitan Street	174	128	107⅝	Wisconsin Central	31	20	17

Of the thirty stocks above named, all except two sold at lower prices last month than they bid in May, 1903. The course of three stocks in particular may be taken to indicate the general trend and condition. They are St. Paul, New York Central and Pennsylvania, and it is somewhat remarkable how nearly identical has been the movements in the prices of those securities. All reached very high figures in 1902—St. Paul 198, New York Central 168 and Pennsylvania 170. In May, 1903, each fell about sixty per cent. from the high record made in the previous year, and in May, 1904, each fell about ten per cent. or more from the lowest price of a year ago.

But throughout the general list there is the unvarying evidence that not merely temporary causes produced the decline of a year ago. If, as was claimed when prices were tumbling in May, 1902, St. Paul was really worth about 200, Louisville and Nashville 160, Missouri Pacific 125, New York Central and Pennsylvania each 170, and Union Pacific 113, then it is less easy to account for the prices now ruling than for those which were recorded in the slump of a year ago.

The subsequent drop in United States Steel stocks is impressive when the opinions expressed a year ago regarding the merits of those securities are recalled.

The common stock, considered low at 30½, in May, 1902, sold at 8⅜ in May, 1904, and the preferred stock, which was cheap at 80 twelve months ago, was down to 51¼ last month.

Relative to the general situation, probably the most unsatisfactory condition to be mentioned is the continued decrease in railroad earnings. In the first quarter of the year the earnings both gross and net showed a decrease, as the following figures from the "Financial Chronicle" show:

THREE MONTHS ENDED MARCH 31.	GROSS EARNINGS.		NET EARNINGS.	
	Amount.	*Increase.*	*Amount.*	*Increase.*
1900	$266,398,148	$38,065,786	$82,973,388	$15,163,855
1901	322,090,725	28,745,230	105,065,166	12,812,211
1902	313,512,310	16,635,689	95,975,444	3,051,348
1903	355,484,590	42,064,781	108,184,866	6,786,454
1904	364,827,074	*3,160,258	90,083,071	*16,262,677

* Decrease.

In April gross earnings decreased five per cent. or more, and net earnings will probably show a considerable decrease also. Roads like the Pennsylvania and New York Central are discharging employees and in other ways trying to curtail expenses.

Iron production has been largely increased, but arrangements are reported in progress to curtail it materially.

The Government report on the wheat crop showed the effects of the bad weather which prevailed prior to May 1. Since that date there has been more favorable weather, but with some reverses in spots.

More labor troubles have manifested themselves, the freight-handlers' strike on the Fall River Lines being the latest development, but now apparently near an end.

There have been some important bond transactions during the last month. On May 3 subscriptions were received by the city of New York for $32,000,000 3½ per cent. fifty year corporate stock and $5,000,000 3½ per cent. ten year assessment bonds. Subscriptions for more than $126,000,000 were made, and the city awarded the long-term bonds at an average price of 100.94, or on the basis of about 3.46 per cent. interest, and the short-term bonds at an average price of 100.13, making the basis of sale 3.48½ per cent.

A Japanese loan of $50,000,000 bearing six per cent. interest was placed in London and New York last month. One-half the total amount was placed in this city and was largely over-subscribed. The loan consists of seven-year Treasury notes redeemable at the option of the Government after three years. The loan was negotiated at 93½ and soon commanded a premium. Russia has also negotiated a five per cent. five-year loan, the total issue of which will be $160,000,000. Some of the bonds have been taken by financial institutions in this city.

The New York Central Railroad is issuing $50,000,000 four per cent. thirty-year debenture bonds, a part of which issue has been placed with a syndicate. A part of the issue will be used to retire $5,000,000 of notes falling due next March.

THE MONEY MARKET.—There has been a little stiffening of rates for money in the local market since the Panama payments got under way, but the market is still easy. Call money dropped to one half per cent. on May 3, the lowest recorded in nearly ten years, but later in the month touched 2¼ per cent. There was a lowering of rates in the last week. At the close of the month call money ruled at 1¼ @ 1½ per cent., the average rate being about 1¼ per cent. Banks and trust companies loaned at 1½ per cent. as the minimum rate. Time money on Stock Exchange collateral is quoted at 2¼ per cent. for 60 to 90 days, 3 per cent. for 4 months, 3 @ 3½

per cent. for 5 to 6 months, and 3½ @ 4 per cent. for 8 to 9 months on good mixed collateral. For commercial paper the rates are 3¾ @ 4¼ per cent. for 60 to 90 days' endorsed bills receivable, 4 @ 4½ per cent. for first-class 4 to 6 months' single names, and 4½ @ 5 per cent. for good paper having the same length of time to run.

Money Rates in New York City.

	Jan. 1.	Feb. 1.	Mar. 1.	Apr. 1.	May 1.	June 1.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Call loans, bankers' balances	6 —9	1¾–2	1¾–2	1½– 1¾	1 –1¼	1¼–1½
Call loans, banks and trust companies	6 —	2 —	1¾—	1¾—	1 –1¼	1½—
Brokers' loans on collateral, 30 to 60 days	5¼– ½	3½– ¾	3 —	2½– 3	2¼—	2¼—
Brokers' loans on collateral, 90 days to 4 months	4½–5	4 —	3¼– ¾	3 – 3¼	2½– ¾	2¾–3
Brokers' loans on collateral, 5 to 7 months	5 —	4 – ½	4 – ¼	3¾– 4	3 – ½	3½–4
Commercial paper, endorsed bills receivable, 60 to 90 days	5½– ¾	4½–5	4¾–5	4¼– ½	3¾—	3¾–4¼
Commercial paper prime single names, 4 to 6 months	5¾–6	4¾–5¼	4¾–5¼	4½– 5	3¾–4¼	4 –4½
Commercial paper, good single names, 4 to 6 months	6 –6½	5½–6	5½–6	5 – ½	4½ –5	4½–5

New York City Banks.—New records were made last month by the New York banks in the matter of both deposits and loans, the former reaching $1,131,712,800 on May 7 and the latter $1,078,928,600 on May 14. There were wide fluctuations in the bank statements issued from week to week and many of the changes were of an inexplicable character. Loans in the first two weeks of the month increased $29,-000,000 and in the last two weeks they decreased $38,000,000. Deposits increased $17,000,000 in the first week and decreased $33,000,000 in the last three weeks. The reserves decreased $23,000,000 in the first three weeks but increased $16,000,000 in the last week. The surplus reserve is about $29,700,000 as compared with $35,700,-000 a month ago and $9,600,000 a year ago.

New York City Banks—Condition at Close of each Week.

	Loans.	Specie.	Legal tenders.	Deposits.	Surplus Reserve.	Circulation.	Clearings.
Apr. 30...	$1,049,636,800	$235,196,500	$76,539,700	$1,114,367,800	$33,144,250	$35,768,700	$983,975,700
May 7...	1,071,030,000	230,610,900	75,041,500	1,131,712,800	22,724,200	35,774,600	1,297,582,200
" 14...	1,078,928,600	218,134,500	77,196,600	1,129,615,400	12,827,250	36,003,700	1,166,734,100
" 21...	1,056,553,500	210,002,800	78,143,000	1,100,566,100	13,004,275	36,480,400	1,219,167,600
" 28...	1,040,483,400	223,275,400	81,155,300	1,098,953,500	29,692,325	37,001,600	1,026,904,200

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

Month.	1902.		1903.		1904.	
	Deposits.	Surplus Reserve.	Deposits.	Surplus Reserve.	Deposits.	Surplus Reserve.
January	$910,860,800	$7,515,575	$873,115,000	$10,193,850	$866,178,900	$9,541,350
February	975,997,000	26,623,350	931,778,900	27,880,775	1,023,943,800	25,129,050
March	1,017,488,300	9,975,925	956,206,400	5,951,900	1,027,920,400	32,150,200
April	965,353,300	6,965,575	894,260,000	6,280,900	1,069,369,400	27,755,050
May	968,189,600	7,484,000	905,760,200	11,181,850	1,114,367,800	33,144,250
June	948,326,400	11,929,000	913,081,800	9,645,150	1,098,953,500	29,692,325
July	955,829,400	12,978,350	903,719,800	12,923,850	....	....
August	957,145,500	13,738,125	908,864,500	24,060,075	....	....
September	935,998,500	9,742,775	920,123,900	20,677,925	....	....
October	876,519,100	3,236,625	897,214,400	13,937,500	....	....
November	893,791,200	21,339,100	885,616,600	10,271,150	....	....
December	883,836,800	15,786,300	841,552,000	6,125,200	....	....

Deposits reached the highest amount, $1,131,712,800, on May 7, 1904; loans, $1,078,928,600 on May 14, 1904, and the surplus reserve $111,623,000 on Feb. 3, 1894.

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

DATES.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
Apr. 30....	$86,246,900	$100,473,100	$3,835,000	$5,206,200	$13,691,200	$6,849,800	$4,463,925
May 7....	87,331,300	102,808,900	3,840,700	4,985,000	14,899,200	6,907,500	4,980,175
" 14....	88,010,600	103,602,500	3,934,800	5,292,900	15,585,100	6,402,900	5,315,075
" 21....	88,077,200	101,760,000	3,878,100	5,178,200	13,907,500	6,187,400	3,711,200
" 28....	88,499,400	102,419,600	4,047,000	5,447,000	13,665,500	6,940,900	4,495,500

BOSTON BANKS.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Apr. 30.......	$168,811,000	$207,247,000	$16,644,000	$5,658,000	$7,061,000	$125,172,800
May 7.......	171,157,000	210,899,000	15,983,000	5,735,000	7,060,000	137,897,900
" 14.......	172,965,000	219,204,000	16,576,000	6,120,000	7,093,000	153,752,300
" 21.......	172,819,000	214,723,000	16,547,000	6,509,000	7,100,000	124,084,400
" 28.......	172,678,000	211,011,000	16,173,000	6,759,000	7,115,000	....

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Apr. 30..................	$190,020,000	$228,593,000	$65,020,000	$11,001,000	$100,797,670
May 7..................	191,401,000	228,962,000	63,187,000	10,996,000	111,214,800
" 14..................	192,362,000	229,476,000	62,094,000	11,196,000	97,026,800
" 21..................	191,930,000	230,552,000	63,564,000	11,525,000	100,519,700
" 28..................	191,224,000	228,410,000	63,110,000	11,539,000	107,103,400

SILVER.—The price of silver in London advanced early in the month, reaching 25 15-16d. on May 12. There was a decline later and the closing price was 25⅜d., a net advance for the month of ¼d.

MONTHLY RANGE OF SILVER IN LONDON—1902, 1903, 1904.

MONTH.	*1902.*		*1903.*		*1904.*		MONTH.	*1902.*		*1903.*		*1904.*	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January..	26 1/16	25 5/8	22 3/8	21 11/16	27 5/16	25 1/8	July......	24 3/16	24 3/16	25 5/8	24 1/4	....	....
February	25 5/8	25 5/16	22 5/16	21 7/8	27 1/8	25 5/8	August ..	24 7/16	24 1/8	26 3/4	25 5/16	....	....
March....	25 7/16	24 13/16	22 13/16	22 1/8	26 11/16	25 1/8	Septemb'r	24 1/8	23 9/16	26 7/16	26 3/16	....	....
April.....	24 7/8	23 5/16	25 1/16	22 5/8	25 1/8	24 7/16	October..	23 11/16	23 1/4	28 1/8	27 7/16	....	....
May......	24 1/8	23 9/16	25 1/4	24 5/16	25 13/16	25 1/8	Novemb'r	23 1/4	21 3/4	27 5/8	26 1/4	....	....
June.....	24 7/16	23 13/16	24 3/16	24 1/8	....	....	Decemb'r	22 1/8	21 11/16	26 1/8	25	....	....

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Sovereigns & Bk. of Eng. notes.	$4.86	$4.89	Mexican 20 pesos...............	$19.52	$19.60
Twenty francs..................	3.87	3.90	Ten guilders....................	3.95	4.00
Twenty marks..................	4.77	4.80	Mexican dollars................	.44½	.46½
Twenty-five pesetas...........	4.78	4.81	Peruvian soles..................	.39¾	.43½
Spanish doubloons.............	15.55	15.65	Chilian pesos....................	.39¾	.43½
Mexican doubloons.............	15.55	15.65			

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 25⅝d. per ounce. New York market for large commercial silver bars, 55⅛ @ 56⅝c. Fine silver (Government assay), 55¼ @ 56⅞c. The official price was 55c.

FOREIGN EXCHANGE.—The market for sterling exchange has been alternately strong and weak, being affected both by our local money market and gold exports. At the close of the month the market was quiet but firm.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

WEEK ENDED.	BANKERS' STERLING. 60 days.	BANKERS' STERLING. Sight.	Cable transfers.	Prime commercial, Long.	Documentary Sterling, 60 days.
Apr. 30	4.8490 @ 4.8500	4.8700 @ 4.8705	4.8720 @ 4.8730	4.84⅛ @ 4.84⅝	4.84 @ 4.84¾
May 7	4.8490 @ 4.8500	4.8695 @ 4.8700	4.8715 @ 4.8725	4.84⅝ @ 4.84¾	4.84 @ 4.85
" 14	4.8500 @ 4.8510	4.8690 @ 4.8700	4.8715 @ 4.8725	4.84¾ @ 4.84⅞	4.84⅛ @ 4.84¼
" 21	4.8465 @ 4.8475	4.8665 @ 4.8670	4.8690 @ 4.8700	4.84⅜ @ 4.84½	4.83¾ @ 4.84½
" 28	4.8530 @ 4.8540	4.8720 @ 4.8725	4.8740 @ 4.8750	4.85 @ 4.85⅛	4.84¼ @ 4.85

MONEY RATES ABROAD.—The money situation abroad continues easy and rates have had a downward tendency. Open market rates are lower in London than they were a month ago. Discounts of 60 to 90 day bills in London at the close of the month were 2 per cent. against 2¼ @ 2⅜ per cent. a month ago. The open market rate at Paris was 2⅛ @ 2¼ per cent. against 2⅝ per cent. a month ago, and at Berlin and Frankfort 3¼ per cent. against 3 per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Feb. 10, 1904.	Mar. 16, 1904.	Apr. 13, 1904.	May 26, 1904.
Circulation (exc. b'k post bills)	£27,749,055	£27,561,390	£28,366,265	£27,973,000
Public deposits	9,081,614	13,720,681	8,569,638	7,407,000
Other deposits	41,635,576	38,641,241	42,936,848	39,764,000
Government securities	19,229,834	19,224,834	19,883,980	16,961,000
Other securities	24,826,750	24,292,522	25,281,788	25,337,000
Reserve of notes and coin	24,900,000	26,561,883	24,142,795	22,758,000
Coin and bullion	34,199,147	35,673,273	34,059,060	32,680,338
Reserve to liabilities	49%	50 7/16%	46¾%	48⅛%
Bank rate of discount	4%	4%	3½%	3%
Price of Consols (2¾ per cents.)	86 5/16	86¾	88 11/16	90 1/16
Price of silver per ounce	27¼d.	26¼d.	24 13/16d.	25⅝d.

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Feb. 1.	Mch. 1.	Apr. 1.	May. 1.	June 1.
Sterling Bankers—60 days	4.83 — ⅛	4.83¾— 84	4.83¾— ⅞	4.84⅞—85	4.85⅜— ½
" " Sight	4.85½— ⅝	4.86⅝— ¾	4.87¼— ⅜	4.87 — ⅛	4.87¼— ⅜
" " Cables	4.85¾— 6	4.87⅛— ⅜	4.87¾— ⅞	4.87¼— ⅜	4.87½— ⅝
" Commercial long	4.82½— ⅝	4.83 — ½	4.84⅛— ⅝	4.84⅛— ⅝	4.85 — ¼
" Docu'tary for paym't.	4.82 — ⅝	4.83 — ⅝	4.83⅜— ¾	4.84 — ¾	4.84¼—85⅛
Paris—Cable transfers	5.17⅛— ..	5.16¼—	5.15 1/16—15	5.15 1/16— 1/16	5.15 1/16— 1/16
" Bankers' 60 days	5.20 1/16— 20	5.18¾—	5.18⅛—17½	5.18⅛—17½	5.17½—16⅞
" Bankers' sight	5.18⅛—17½	5.16⅞—	5.15⅝—	5.15⅝—	5.15⅝—
Swiss—Bankers' sight	5.20 —19⅜	5.19⅜—18¾	5.18⅛—17½	5.16⅞— ¼	5.16¼—
Berlin—Bankers' 60 days	94 7/16— 9/16	94 7/16— 11/16	94 13/16—	94 13/16—95	95 1/16— ⅛
" Bankers' sight	94 13/16— ⅞	95 1/16—	95 1/16—	95 1/16— ⅛	95½— 9/16
Belgium—Bankers' sight	5.18¾— ..	5.17½—	5.16⅞—	5.16⅞—	5.16¼—
Amsterdam—Bankers' sight	40¼— ..	40¼— 5/16	40 1/16—	40⅜—	40 5/16—
Kronors—Bankers' sight	26.68—26.70	26.72—26.74	26.81—26.83	26.81 —26.83	26.86—26.88
Italian lire—sight	5.17½—16⅞	5.21¼—20	5.16⅞—15⅝	5.16¼—15⅝	5.16⅞— ¼

NATIONAL BANK CIRCULATION.—There was an increase of nearly $9,000,000 in National bank circulation last month and of nearly $10,800,000 in Government bonds deposited to secure bank circulation. This may be readily explained in the large decrease in public deposits in the National banks. A month ago $171,000,000 of securities were deposited with the Government to secure these deposits, now only $124,000,000. While all the railroad bonds over $17,000,000 have been withdrawn and nearly $14,000,000 State and city bonds, there were also $12,500,000 of 2 per cent. bonds of 1930 withdrawn as security for public deposits while $9,500,000 have been deposited to secure circulation.

NATIONAL BANK CIRCULATION.

	Feb. 29, 1904.	*Mar. 31, 1904.*	*Apr. 30, 1904.*	*May 31, 1904.*
Total amount outstanding	$430,324,310	$434,909,942	$437,080,573	$445,988,565
Circulation based on U. S. bonds	390,352,491	395,600,234	397,802,781	407,279,034
Circulation secured by lawful money	39,971,819	39,309,708	39,277,792	38,709,531
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	2,389,200	2,704,250	2,966,750	3,929,250
Four per cents. of 1895	1,260,100	1,540,100	1,540,100	1,802,100
Three per cents. of 1898	1,744,500	1,799,400	1,759,940	1,794,940
Two per cents. of 1900	387,277,750	391,990,900	393,528,350	403,046,350
Total	$392,671,550	$398,034,650	$399,795,140	$410,572,640

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1907, $6,899,050; 5 per cents. of 1894, $100,000; 4 per cents. of 1895, $10,142,050; 3 per cents. of 1898, $6,970,530; 2 per cents. of 1980, $85,184,750; District of Columbia 3.65's, 1924, $1,934,000; State and city bonds, $6,842,500; Philippine Island certificates, $3,426,000; Hawaiian Islands bonds, $1,072,000; Philippine loan, $1,607,000, a total of $124,177,850.

UNITED STATES PUBLIC DEBT.—Except a reduction of about $1,000,000 in the National bank-note redemption account, there was little change in the principal of the public debt last month. The payments on account of the Panama Canal purchase, and to the St. Louis World's Fair, made heavy inroads upon the cash assets of the Government and the net balance was reduced from nearly $371,000,000 to about $313,000,000, while the net debt less cash in the Treasury was increased from about $919,000,000 to $975,000,000.

UNITED STATES PUBLIC DEBT.

	Mch. 1, 1904.	*Apr. 1, 1904.*	*May 1, 1904.*	*June 1, 1904.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent	$542,909,950	$542,909,950	$542,909,950	$542,909,950
Funded loan of 1907, 4 "	156,591,500	156,591,650	156,593,100	156,593,100
Refunding certificates, 4 per cent	29,990	29,880	29,130	29,120
Loan of 1925, 4 per cent	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent	77,135,360	77,135,360	77,135,360	77,135,360
Total interest-bearing debt	$895,156,700	$895,156,740	$895,157,440	$895,157,430
Debt on which interest has ceased	3,161,680	2,670,510	2,347,480	2,109,950
Debt bearing no interest:				
Legal tender and old demand notes	346,734,863	346,734,863	346,734,863	346,734,863
National bank note redemption acct.	39,179,309	38,689,396	38,663,611	37,717,056
Fractional currency	6,870,587	6,870,587	6,869,851	6,869,850
Total non-interest bearing debt	$392,784,759	$392,294,846	$392,268,326	$391,321,769
Total interest and non-interest debt	1,291,103,139	1,290,122,066	1,289,773,246	1,288,589,149
Certificates and notes offset by cash in the Treasury:				
Gold certificates	477,903,869	467,660,869	493,457,869	489,974,869
Silver "	469,942,000	473,085,000	472,555,000	471,662,000
Treasury notes of 1890	14,846,000	14,372,000	13,987,000	13,473,000
Total certificates and notes	$962,691,869	$955,117,869	$979,999,869	$975,109,869
Aggregate debt	2,253,795,008	2,245,239,965	2,269,773,115	2,263,699,018
Cash in the Treasury:				
Total cash assets	1,407,296,573	1,399,011,475	1,404,406,842	1,373,468,690
Demand liabilities	1,034,228,068	1,024,311,479	1,033,487,654	1,060,181,175
Balance	$373,068,505	$374,699,996	$370,919,188	$313,287,515
Gold reserve	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance	223,068,505	224,699,996	220,919,188	163,287,515
Total	$373,068,505	$374,699,996	$370,919,188	$313,287,515
Total debt, less cash in the Treasury	918,034,634	915,422,100	918,854,058	975,301,634

GOVERNMENT REVENUES AND DISBURSEMENTS.—The Treasurer's statement for May shows a deficit of $54,730,413, but included in the disbursements is "$54,600,000 paid on account of Panama Canal and loan to Louisiana Purchase Exposition Company." Making allowance for these payments, however, the ordinary expenditures were slightly in excess of the receipts. For the eleven months of the fiscal

year there is a deficit of more than $52,000,000 as compared with a surplus of $39,000,000 in the previous year.

United States Treasury Receipts and Expenditures.

Receipts.

Source.	May, 1904.	Since July 1, 1903.
Customs	$18,851,421	$239,422,387
Internal revenue	18,657,132	211,773,005
Miscellaneous	4,179,506	42,104,838
Total	$41,688,069	$493,300,230
Excess of expenditures	54,730,413	52,271,841

Expenditures.

Source.	May, 1904.	Since July 1, 1903.
Civil and mis.	$59,473,885	$178,306,913
War	10,576,929	107,509,786
Navy	9,405,472	93,809,073
Indians	901,271	9,631,197
Pensions	13,944,848	132,[illegible]94,336
Interest	2,116,067	24,218,766
Total	$96,418,472	$545,572,071

United States Foreign Trade.—The merchandise export movement in April was about $168,000 larger than in the corresponding month last year. In fact the exports in April of each of the last three years have not varied as much as one per cent. The total was almost $110,000,000, or about $10,000,000 less than in March, while the exports were nearly $83,500,000, or $8,000,000 less than in March this year and $4,000,000 less than in April last year. The net exports reached nearly $26,500,000, or $4,000,000 more than in 1903, but $7,000,000 less than in 1902 and $17,500,000 less than in 1901. During the month nearly $19,500,000 gold was exported but more than $10,000,000 was imported, which leaves the net exports of gold only a little more than $9,000,000. As this leaves a balance of imports amounting to nearly $47,000,000 for the ten months of the current fiscal year, the supply of gold from which to draw future exports seems to be ample without drawing upon our domestic supply. For the ten months of the year the record shows net exports of merchandise of about $449,000,000 as compared with $359,000,000 in the previous year. The imports of gold exceeded the exports of silver by $30,000,000, leaving the net merchandise and specie exports at $418,000,000. Gold imports and silver exports about balanced each other in 1903 leaving the net exports of all $359,000,000.

Exports and Imports of the United States.

Month of April.	Merchandise.			Gold Balance.	Silver Balance.
	Exports.	Imports.	Balance.		
1899	$88,794,873	$65,208,228	Exp., $23,586,645	Imp., $1,320,387	Exp., $2,233,336
1900	118,772,580	75,510,262	" 43,262,318	" 1,427,233	" 788,235
1901	120,754,190	76,698,131	" 44,056,059	Exp., 2,667,927	" 2,588,933
1902	109,169,873	75,822,268	" 33,347,605	" 979,437	" 1,689,526
1903	109,827,215	87,682,106	" 22,145,109	" 355,845	" 1,033,898
1904	109,995,160	83,496,521	" 26,498,639	" 9,183,788	" 1,491,770
Ten Months.					
1899	1,036,787,828	565,230,807	Exp., 471,557,021	Imp., 68,214,148	Exp., 22,269,897
1900	1,172,403,276	717,286,292	" 455,116,984	" 9,179,079	" 17,562,523
1901	1,260,422,817	676,124,805	" 584,298,012	" 23,278,454	" 23,623,357
1902	1,190,157,387	754,516,807	" 435,640,580	" 228,726	" 18,214,429
1903	1,223,989,242	864,684,323	" 359,304,919	" 20,656,890	" 20,045,332
1904	1,277,859,235	829,002,914	" 448,856,321	" 48,825,262	" 16,468,175

Supply of Money in the United States.—About $39,000,000 is the estimated loss in the total gold supply of the country last month, while the supply of all

Supply of Money in the United States.

	Jan. 1, 1904.	Apr. 1, 1904.	May 1, 1904.	June 1, 1904.
Gold coin and bullion	$1,314,622,524	$1,348,808,970	$1,351,984,577	$1,313,120,868
Silver dollars	559,167,979	566,102,254	567,198,254	567,458,254
Silver bullion	11,579,510	5,829,230	5,368,139	5,437,156
Subsidiary silver	105,938,279	106,633,724	106,672,887	106,614,930
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	425,163,018	434,909,942	437,080,573	445,988,565
Total	$2,763,152,326	$2,808,960,136	$2,814,985,446	$2,785,300,789

kinds of money was reduced only about $29,600,000. The increase in National bank notes was $8,900,000.

MONEY IN CIRCULATION IN THE UNITED STATES.—The heavy exports of gold in May are reflected only partly in the decrease in gold in circulation, which was about $25,000,000. An increase of more than $7,000,000 in National bank notes offset decreases in other forms of money and reduced the loss in total circulation to about $23,000,000.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1904.	*Apr. 1, 1904.*	*May 1, 1904.*	*June 1, 1904.*
Gold coin	$627,970,533	$650,924,710	$656,159,418	$644,894,548
Silver dollars	81,573,223	74,709,181	73,642,989	72,605,727
Subsidiary silver	97,631,352	95,087,792	94,820,302	94,579,099
Gold certificates	421,080,019	449,349,569	463,948,069	450,633,929
Silver certificates	465,836,270	466,052,079	466,079,084	464,156,826
Treasury notes, Act July 14, 1890	15,828,853	14,314,676	13,853,196	13,374,424
United States notes	343,272,438	341,407,870	339,777,071	337,304,380
National bank notes	413,153,189	424,793,346	424,365,007	431,730,984
Total	$2,466,345,897	$2,516,639,223	$2,532,645,135	$2,509,279,917
Population of United States	81,177,000	81,522,000	81,637,000	81,752,000
Circulation per capita	$30.38	$30.87	$31.02	$30.69

MONEY IN THE UNITED STATES TREASURY.—The United States Treasury financed the Panama Canal payments so as to make the decrease in its cash balance very small, only about $6,000,000. The loss in net gold, however, was more than $14,000,000.

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1904.	*Apr. 1, 1904.*	*May 1, 1904.*	*June 1, 1904.*
Gold coin and bullion	$686,651,991	$697,879,260	$695,825,159	$668,226,320
Silver dollars	477,594,756	491,393,073	493,555,265	434,852,527
Silver bullion	11,579,510	5,829,230	5,368,139	5,487,156
Subsidiary silver	8,306,927	11,545,932	11,852,585	12,025,831
United States notes	3,408,578	5,273,146	6,903,945	9,376,636
National bank notes	12,009,829	10,116,596	12,715,566	14,257,581
Total	$1,199,551,591	$1,222,037,237	$1,226,220,659	$1,204,186,051
Certificates and Treasury notes, 1890, outstanding	902,745,162	929,716,324	943,880,348	928,165,179
Net cash in Treasury	$296,806,429	$292,320,913	$282,340,311	$276,020,872

FOREIGN BANKS.—That the Bank of France should show a large increase in its gold holdings as the result of the export movement from the United States last month was to be expected. It gained $60,000,000 while England lost about $9,000,000 and Germany gained $5,000,000. France now has about as much gold as England, Germany and Austria Hungary together.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	April 1, 1904.		*May 1, 1904.*		*June 1, 1904.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England	£34,058,852	....	£34,485,455	....	£32,680,338	....
France	94,508,540	£44,579,948	97,200,511	£44,744,871	109,407,106	£45,016,118
Germany	36,164,000	12,706,000	34,916,000	12,268,000	35,918,000	12,620,000
Russia	89,577,000	8,419,000	84,150,000	8,017,000	84,395,000	8,279,000
Austria-Hungary	47,371,000	12,905,000	47,482,000	12,985,000	47,209,000	12,975,000
Spain	14,636,000	19,708,000	14,676,000	19,876,000	14,716,000	20,057,000
Italy	22,060,000	3,803,200	22,120,000	3,817,200	22,097,000	4,003,100
Netherlands	5,442,500	6,706,900	5,456,000	6,565,500	5,475,700	6,588,000
Nat. Belgium	3,114,000	1,557,000	3,080,000	1,540,000	3,086,667	1,543,333
Totals	£346,926,892	£110,385,048	£343,565,966	£109,813,571	£354,984,811	£111,081,551

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of May, and the highest and lowest during the year 1904, by dates, and also, for comparison, the range of prices in 1903:

	Year 1903.		Highest and Lowest in 1904.		May, 1904.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	89⅞	54	75¼—Apr. 11	64 —Feb. 24	72⅝	67⅛	68⅞
" preferred............	103⅛	84⅜	94⅞—Apr. 8	87⅝—Jan. 6	93	91¼	92
Baltimore & Ohio.............	104	71⅝	85⅝—Jan. 27	72⅞—Mar. 14	79¼	76¾	77⅞
Baltimore & Ohio, pref........	96¾	82¾	92 —Jan. 28	87⅝—Feb. 19	92	90¼	91⅛
Brooklyn Rapid Transit......	71⅛	29½	52¼—Jan. 2	38 —Feb. 24	47¾	43¾	47
Canadian Pacific..............	138¾	115⅝	121¼—Jan. 22	109½—Mar. 12	118	113	117¼
Canada Southern..............	78½	57½	68¼—Jan. 2	64 —Apr. 29	65½	64⅛	65⅝
Central of New Jersey........	190	153	163¾—Jan. 19	154½—Feb. 20	160	157	160
Ches. & Ohio....................	53⅝	27¼	36 —Jan. 28	28¼—Mar. 14	30¾	29	29½
Chicago & Alton.......... ...	37¼	18½	40 —Feb. 6	33 —Jan. 2	38½	35¼	35⅞
" preferred..............	75½	60	85¼—Jan. 21	75 —Jan. 6	81½	80½	80½
Chicago, Great Western......	29⅝	13	17¾—Jan. 22	14 —Feb. 24	16	14⅛	14½
Chic., Milwaukee & St. Paul..	183¼	133¼	148¼—Jan. 22	137⅛—Feb. 24	143⅞	138¼	139½
" preferred............	194¼	168	180 —Apr. 12	173 —Mar. 4	176	168¾	175½
Chicago & Northwestern......	224½	153	172¼—Mar. 30	161½—Mar. 14	176	168½	170
" preferred............	250	190	217 —May 26	207 —Feb. 8	217	214	217
Chicago Terminal Transfer...	19⅞	8	12¾—Jan. 15	5½—May 24	8¾	5½	5½
" preferred............	36	15	26½—Jan. 15	13¼—May 27	18½	13¼	13½
Clev., Cin., Chic. & St. Louis..	99⅝	66	80¾—Jan. 22	68½—May 18	70¼	68½	69½
Col. Fuel & Iron Co............	82½	24	34½—Jan. 27	25½—Mar. 12	32¼	28	29½
Colorado Southern............	31⅜	10	19 —Jan. 12	14½—Feb. 23	16¼	14½	14⅝
" 1st preferred........	72	44½	58½—Jan. 25	50 —May 27	53	50	50
" 2d preferred........	48	17	28⅝—Jan 22	19 —May 31	22½	19	19
Consolidated Gas Co..........	222	164	212⅝—May 16	185 —Feb. 8	212⅝	202½	204½
Delaware & Hud. Canal Co....	183½	149	168½—Jan. 22	149 —Mar. 12	158	152¾	158¼
Delaware, Lack. & Western..	275½	230	275¾—Apr. 7	250½—Feb. 23	270⅞	266	270¾
Denver & Rio Grande.........	43	18	23⅜—Jan 22	18 —Mar. 14	20	19	19½
" preferred............	90½	62	74⅞—Jan. 22	64½—Feb. 24	68¼	65¾	66½
Detroit Southern............	20⅝	7	14¾—Jan. 23	3⅞—May 27	8¾	3⅞	4
" preferred............	39¾	14	29½—Jan. 25	8 —May 31	17¼	8	8
Duluth So. S. & Atl., pref.....	29⅜	10	16¾—Jan. 23	11⅛—May 27	12	11⅛	11⅛
Erie..........................	42⅝	23	29¼—Jan. 2	21½—May 16	25	21½	23
" 1st pref..................	74	62⅛	69¾—Jan. 27	55⅝—May 31	63⅞	55⅝	56¼
" 2d pref..................	64⅞	44	50½—Jan. 2	33 —May 16	38¾	33	33⅜
Evansville & Terre Haute....	72½	39½	66½—Jan. 27	57 —Apr. 20	....	....	....
Express Adams...............	235	214	226 —May 12	220 —Feb. 2	226	222	225
" American..........	235	171	197 —Jan. 27	185 —Mar. 7	190	186	190
" United States........	150¼	95	110 —Jan. 25	100 —Feb. 24	103	100¼	100¼
" Wells, Fargo.........	249½	191	212 —Jan. 6	208 —May 20	207	203	203
Hocking Valley..............	106½	63	77½—Jan. 22	60 —May 24	67⅞	60	61
" preferred............	99¼	77	85 —Jan. 7	77 —Mar. 12	80⅜	77	78½
Illinois Central..............	151	125⅛	134¾—Jan. 28	125¾—Feb. 24	130½	128⅛	129¾
Iowa Central..................	48	16	22⅞—Jan. 8	17 —Feb. 18	18½	18½	18½
" preferred............	77⅜	30½	42 —Jan. 14	32 —Feb. 25	34½	34½	34½
Kansas City Southern.........	36¼	16½	21 —Jan. 21	16½—Feb. 24	20	17⅝	19
" preferred............	61¼	29	39 —May 23	31 —Feb. 29	39	34½	37½
Kans. City Ft. S. & Mem. pref..	82¾	62¼	70½—Apr. 12	65 —Feb. 8	67¼	66⅝	66⅝
Louisville & Nashville........	130½	95	111½—Jan. 22	101 —Feb. 23	109¾	106⅝	107¼
Manhattan consol............	155½	126¼	146½—Jan. 22	139¾—Mar. 12	144½	142	143¾
Metropolitan securities.......	128⅞	70½	92 —Jan. 21	72¼—Mar. 14	79	75	78
Metropolitan Street...........	142⅞	99⅞	124 —Jan. 2	104¾—Mar. 14	112	107⅝	109¾
Mexican Central...............	29	8½	14½—Jan. 11	5 —Apr. 23	8½	6½	7⅛
Minneapolis & St. Louis.......	110	41	67¾ Jan. 18	61 —Feb. 18	....	....	....
" preferred............	118	83	94¾—Jan. 21	90 —Jan. 6	....	....	....
Minn., S. P. & S.S. Marie......	79½	42	67 —Jan. 20	55 —Jan. 4	62½	60	62½
" preferred............	132¼	109½	126¾—Jan. 28	116 —May 2	120	116	119½
Missouri, Kan. & Tex..........	30½	15½	19 —Jan. 21	14⅝—Feb. 24	17¼	15½	15½
" preferred......	63½	33	42½—Jan. 22	33¼—May 31	36¾	33¼	33¼
Missouri Pacific...............	115⅞	85¾	95⅞—Jan. 22	87 —Feb. 24	92¼	88½	89⅝
Natl. of Mexico, pref..........	47⅝	34½	41 —Jan. 11	34¾—Feb. 25	36	36	36
" 2d preferred.,........	28½	17	21⅞—Jan. 8	15⅞—Feb. 25	18	17⅛	17⅛
N. Y. Cent. & Hudson River..	156	112⅝	122 —Jan. 8	112⅞—Mar. 12	115⅞	113¼	114½
N. Y., Chicago & St. Louis....	45	19½	32¼—Jan. 23	25 —May 16	28	25	26
" 2d preferred.........	87	50	69 —Jan. 26	63 —Jan. 19	....	....	....

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1903.		Highest and Lowest in 1904.		May, 1904.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
N. Y., Ontario & Western.....	35¼	19	24¼—Jan. 25	19⅜—Mar. 14	22	20¾	21¾
Norfolk & Western............	76¼	54¾	62¾—Jan. 28	53½—Mar. 12	57	55⅝	55⅝
• preferred............	93½	85	90 —Apr. 12	88 —May 6	88	88	88
North American Co...........	124½	68	90 —Jan. 26	80 —Mar. 12	84½	81	81
Pacific Mail....................	42¾	17	33½—Jan. 18	24 —Feb. 27	27¼	24	26
Pennsylvania R. R............	157⅝	110¾	123½—Jan. 27	111½—Mar. 12	118½	112¾	113⅜
People's Gas & Coke of Chic.	108⅜	87¾	102⅝—Jan. 23	92¾—Mar. 12	97½	94½	95¼
Pullman Palace Car Co.......	235¾	196	219½—Jan. 22	209 —Mar. 14	212	210	210¾
Reading.........................	69¼	37½	48 —Jan. 25	38¾—Mar. 14	44½	40⅝	43¾
• 1st prefered..........	89⅞	73	81 —Jan. 25	76 —Mar. 1	78½	78	78
• 2d preferred..........	81	55¼	66 —Apr. 14	55¼—Feb. 25	62½	59	62
Rock Island....................	53⅝	19½	27½—Jan. 22	19½—Mar. 11	23¼	20½	20¾
• preferred............	86	55¾	68⅞—Jan. 22	57¾—Jan. 6	67½	62⅝	63¾
St. L. & San Fran. 2d pref....	78	39	49¼—Jan. 23	39¼—Jan. 6	48	44½	44⅝
St. Louis & Southwestern....	30	12	16¼—Jan. 22	11 —May 31	13½	11	11
• preferred............	66	24	36¾ - Jan. 23	26½—May 31	34	26½	27
Southern Pacific Co...........	68¼	38⅝	52½—Jan. 27	41½—Mar. 14	47⅞	44¾	45½
Southern Railway............	36⅞	16½	23½—Jan. 27	18¼—Feb. 24	21	19¾	20
• preferred............	96	69½	86¼—Jan. 22	77½—Jan. 6	84¾	81¾	83½
Tennessee Coal & Iron Co....	68¾	25⅞	41½—Apr. 7	31⅝—May 16	36	31⅝	33¾
Texas & Pacific................	43⅜	20½	27¾—Jan. 23	20¼—May 31	22⅝	20¼	20¼
Toledo, St. Louis & Western..	31⅞	15	29½—Jan. 23	21½—May 27	26⅜	21½	23¼
• preferred............	48	24	39⅞—Apr. 25	32 —Feb. 24	39½	37	37
Union Pacific..................	104⅝	65½	90 —Apr. 4	71 —Mar. 14	85¼	81¼	82⅞
• preferred............	95¼	33½	94½—Apr. 6	86½—Feb. 25	92¼	90¼	91¼
Wabash R. R..................	32¾	16⅝	21¾—Jan. 27	15 —May 16	18	15	15½
• preferred............	55¼	27½	41 —Jan. 25	32¾—Feb. 24	37¾	32¾	33¼
Western Union................	93	80¼	89¾—May 9	85 —May 19	89¾	85	86
Wheeling & Lake Erie........	27½	12	19½—Jan. 22	14½—Feb. 23	16¼	15	15
• second preferred....	38½	20	29¾—Jan. 27	22 —Feb. 24	25½	23⅛	23¼
Wisconsin Central............	29¼	14½	21⅞—Jan. 20	16½—Jan. 4	17¾	16¼	16¾
• preferred............	55½	33	47⅞--Jan. 27	38 —Jan. 4	40½	38	38
"Industrial"							
Amalgamated Copper........	75⅝	33⅝	52¼—Apr. 8	43⅛ - Feb. 8	51⅜	46¾	49⅝
American Car & Foundry....	41¾	17¼	21⅝—Jan. 27	16 —May 16	17⅞	16	16½
• pref..................	93	60½	74¾—Apr. 7	67 —Jan. 6	71	69	70⅝
American Co. Oil Co..........	46¼	25¼	32⅞—Jan. 25	27¾—May 23	30	27¾	28
American Ice..................	11⅞	4	9¼—Jan. 2	6⅛—Mar. 24	7⅜	6⅜	7¼
American Locomotive........	31⅝	10½	23⅜—Feb. 16	16½—Jan. 6	20½	17¼	19½
• preferred............	95¾	67½	84 —May 6	75½—Jan. 6	84	81	81
Am. Smelting & Refining Co.	52⅞	36¾	53½—May 31	46 —Feb. 25	53½	48¾	52¾
• preferred............	99½	80¼	97¼—May 31	88¾—Jan. 6	97¼	94½	97¼
American Sugar Ref. Co......	134⅝	107⅛	131⅝—Jan. 25	122¼—Mar. 7	128½	124⅝	125¾
Anaconda Copper Mining....	125½	58	80½—Apr. 12	61 —Feb. 20	78	74	75
Continental Tobacco Co. pref.	119	94¾	111⅞—May 25	101½—Jan. 4	111⅞	109⅞	111⅞
Corn Products................	35	15½	22⅝—Jan. 25	9¾—May 9	13	9¾	10½
• preferred............	85½	60	74½—Jan. 23	65 —Mar. 9	70⅝	65	66½
Distillers securities...........	34¾	20	26½—Jan. 21	20 —May 16	22⅞	20	20½
General Electric Co...........	204	136	179¼—Jan. 23	152 —May 18	159	152	156
International Paper Co......	19⅞	9	14⅜—Jan. 25	10¼—May 26	11⅜	10¼	10¼
• preferred............	74¼	57½	67¾—Apr. 5	64½ - Feb. 9	66¼	65¼	66¼
National Biscuit..............	47⅝	32	45 —Mar. 23	36 —Jan. 4	45	42¼	44¾
National Lead Co..............	29½	10½	19½—May 23	14½—Feb. 25	19½	16¼	19¼
Pressed Steel Car Co..........	65¾	22½	33 —Jan. 28	24¼—May 16	27½	24¼	25
• preferred............	95	62½	72½—Jan. 28	67 —May 16	71½	67	67
Republic Iron & Steel Co.....	22⅝	5⅝	8¾—Jan. 25	6 —May 16	7	6	6⅛
• preferred............	80⅝	36¾	49½—Jan. 23	37 —May 13	42½	37	38
Rubber Goods Mfg. Co........	30	12	22¼—Jan. 27	14¾—Apr. 15	16½	15	15
• preferred............	84½	60	79¾—Apr. 4	74¾—Jan. 15	77½	76¾	77½
U. S. Leather Co..............	15¼	6	8¼—Jan. 25	6½—May 27	7	6½	6½
• preferred............	96¼	71½	80¾—Apr. 18	75⅝—Jan. 4	80	79	79½
U. S. Realty & Con............	28½	4	9⅜—Jan. 21	5½—Jan. 15	7⅞	6¼	6⅝
• preferred............			63⅜—May 23	40 —Jan. 14	63⅜	57¾	60⅝
U. S. Rubber Co..............	19⅝	7	18¼—May 4	10½—Feb. 6	18¼	15⅝	16
• preferred............	58	30¼	68¼ - Apr. 29	41 —Jan. 4	68	64⅝	66⅞
U. S. Steel......................	39⅞	10	12⅝—Jan. 2	8⅜—May 13	10⅜	8¾	9½
• pref.......................	89¾	49¾	62½—Apr. 7	51¼—May 13	56	51¼	53½

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

Last Sale, Price and Date and Highest and Lowest Prices and Total Sales for the Month.

Note.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	May Sales. High.	May Sales. Low.	May Sales. Total.
Albermarle & Ches. 1st 7's	1909	500,000	J & J					
Ann Arbor 1st g 4's	1995	7,000,000	Q J	92½	May 25,'04	93¼	92	46,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	148,155,000	A & O	101⅜	May 31,'04	101½	100⅛	1,247,500
" registered			A & O	99⅝	Apr. 28,'04			
" adjustment, g. 4's	1995	25,616,000	NOV	91	May 26,'04	92	91	44,500
" registered			NOV	82½	Jan. 26,'04			
" stamped	1995	26,112,000	M & N	89½	May 23,'04	90⅛	89	78,500
" serial debenture 4's—								
" series C	1905	2,500,000	F & A					
" registered			F & A					
" series D	1906	2,500,000	F & A	98	Feb. 1,'04			
" registered			F & A					
" series E	1907	2,500,000	F & A					
" registered			F & A					
" series F	1908	2,500,000	F & A	98	May 31,'04	98	98	5,000
" registered			F & A					
" series G	1909	2,500,000	F & A					
" registered			F & A					
" series H	1910	2,500,000	F & A					
" registered			F & A					
" series I	1911	2,500,000	F & A					
" registered			F & A					
" series J	1912	2,500,000	F & A					
" registered			F & A					
" series K	1913	2,500,000	F & A					
" registered			F & A					
" series L	1914	2,500,000	F & A	92⅞	Nov. 10,'02			
" registered			F & A					
" East.Okla.div.1st g.4's	1928	5,645,000	M & S	92¼	May 2,'03	92¼	92¼	1,000
" " registered			M & S					
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S					
Atl. Knox. & Nor. Ry. 1st g. 5s	1946	1,000,000	J & D	114½	Oct. 8,'02			
Atlan.Coast Line R.R.Co.1st g.4's	1952	36,844,000	M & S	95	May 31,'04	96	94¾	496,000
" registered			M & S	92	Feb. 15,'04			
Charleston & Savannah 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'99			
Savanh Florida & W'n 1st g. 6's	1934	4,056,000	A & O	125⅛	Nov. 30,'03			
" 1st g. 5's	1934	2,444,000	A & O	112⅝	Jan. 26,'04			
Alabama Midland 1st gtd g. 5's	1928	2,800,000	M & N	112	Apr. 13,'04			
Brunswick & W'n 1st gtd. g. 4's	1938	3,000,000	J & J	87	Aug. 22,'01			
Sil.Sps Oc.& G.RR.&ld g.gtd g.4s	1918	1,067,000	J & J	91½	Oct. 30,'03			
Balt. & Ohio prior lien g. 3½s	1925	72,798,000	J & J	95	May 31,'04	95½	94⅛	334,000
" registered			J & J	95¼	May 27,'04	95¼	95¼	1,000
" g. 4s	1948	69,963,000	A & O	101½	May 31,'04	101½	100½	409,500
" g. 4s. registered			A & O	100	May 17,'04	101	100	15,000
" ten year c. deb. g. 4's	1911	592,000	M & S	98	Apr. 30,'04			
Pitt Jun. & M. div. 1st g. 3½s	1925	11,293,000	M & N	89¼	May 26,'04	89¼	88⅛	9,000
" registered			Q Feb					
Pitt L. E. & West Va. System refunding g 4s	1941	20,000,000	M & N	94¾	May 21,'04	95	94½	60,000
" Southw'n div. 1st g.3½s	1925	43,590,000	J & J	91	May 31,'04	91⅜	90	317,500
" registered			Q J	90¼	July 16,'01			
Monongahela River 1st g. g., 5's	1919	700,000	F & A	105½	Mar. 11,'04			
Cen. Ohio. Reorg. 1st c. g. 4½'s	1930	1,009,000	M & S	109¾	Oct. 28,'03			
Ptsbg Clev. & Toledo, 1st g.6's	1922	515,000	A & O	119½	Mar. 7,'04			
Pittsburg & Western, 1st g.4's	1917	688,000	J & J	98	Aug. 1,'03			
" J. P. Morgan & Co. cer.		1,921,000		100¼	Feb. 13,'03			
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,427,000	M & S	115⅛	May 9,'04	115⅛	115	6,000
Alleghany & Wn. 1st g. gtd 4's	1998	2,000,000	A & O					
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	128	June 6,'02			
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	121½	Mar. 2,'04			
" cons. 1st 6's	1922	3,920,000	J & D	124	May 6,'04	124	124	1,000
Buff. & Susq. 1st refundg g. 4's	1951	4,317,000	J & J	99⅛	May 23,'04	99⅛	97⅛	29,000
" registered			J & J					

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. *Principal Due*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MAY SALES. *High.*	MAY SALES. *Low.*	MAY SALES. *Total.*
Canada Southern 1st int. gtd 5's, 1908	14,000,000	J & J	104¼	May 31,'04	104½	104⅛	112,000
• 2d mortg. 5's, ...1913	6,000,000	M & S	105⅝	May 26,'04	106	105⅝	19,000
• registered..................		M & S	107	Aug. 14,'03	....	....	....
Central Branch U. Pac. 1st g. 4's.1948	2,500,000	J & D	92½	May 14,'04	92½	92	4,000
Central R'y of Georgia, 1st g. 5's.1945	7,000,000	F & A	116½	Mar. 4,'04	....	....	....
• registered $1,000 & $5,000		F & A	....		....	....	....
• con. g. 5's...............1945	16,700,600	M & N	107	May 31,'04	107⅝	106½	182,000
• con. g. 5's, reg. $1,000 & $5,000		M & N	105½	Sept. 18,'01	....	....	....
• 1st. pref. inc. g. 5's,.....1945	4,000,000	OCT 1	74½	May 27,'04	76	70⅞	145,000
• 2d pref. inc. g. 5's.......1945	7,000,000	OCT 1	35	May 26,'04	38⅝	31	367,000
• 3d pref. inc. g. 5's.......1945	4,000,000	OCT 1	23	May 25,'04	23	20½	106,000
• Chat. div. pur. my. g. 4's.1951	1,990,000	J & D	92½	May 23,'04	92½	92½	4,000
• Macon & Nor. Div. 1st g. 5's.................1946	840,000	J & J	104	Feb. 19,'04	....	....	....
• Mid. Ga. & Atl. div. g 5s.1947	413,000	J & J	102	June 29,'99	....	....	....
• Mobile div. 1st g. 5's....1946	1,000,000	J & J	103	July 2,'03	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's, 1937	4,880,000	M & N	108	Apr. 27,'04	....	....	....
Central of New Jersey, gen. g. 5's.................1987	45,091,000	J & J	131	May 31,'04	132⅛	129¾	55,000
• registered...............		Q J	129½	May 23,'04	130	129½	20,500
Am. Dock & Improvm't Co. 5's, 1921	4,987,000	J & J	113	Apr. 30,'04	....	....	....
Lehigh & H. R. gen. gtd g. 5's..1920	1,062,000	J & J	....		....	....	....
Lehigh & W.-B. Coal con. 5's...1912	2,691,000	Q M	102	Apr. 16,'04	....	....	....
• con. extended gtd. 4½'s.1910	12,175,000	Q M	101⅝	May 25,'04	102	101½	17,000
N.Y. & Long Branch gen. g. 4's.1941	1,500,000	M & S	....		....	....	....
Ches. & Ohio 6's, g., Series A......1908	2,000,000	A & O	108	Apr. 29,'04	....	....	....
• Mortgage gold 6's......1911	2,000,000	A & O	110⅛	May 10,'04	110⅛	109¾	3,000
• 1st con. g. 5's............1939	25,858,000	M & N	115¼	May 27,'04	115½	115	63,000
• registered..................		M & N	115¼	Apr. 5,'04	....	....	....
• Gen. m. g. 4½'s.........1992	37,573,000	M & S	104¼	May 31,'04	104¼	102⅝	207,000
• registered..................		M & S	95	Dec. 22,'03	...	....	....
• Craig Val. 1st g. 5's.....1940	650,000	J & J	112	May 14,'03	....	....	....
• (R. & A. d.) 1st c. g. 4's, 1989	6,000,000	J & J	101⅛	May 25,'04	101⅝	101	22,000
• 2d con. g. 4's............1989	1,000,000	J & J	94¼	Apr. 27,'04	....	....	....
• Warm S. Val. 1st g. 5's, 1941	400,000	M & S	106⅛	Oct. 29,'02	....	....	....
Greenbrier Ry. 1st gtd. 4's.....1940	2,000,000	M & N	90⅝	Dec. 30,'03	....	....	....
Chic. & Alton R. R. ref. g. 3's.... 1949	31,988,000	A & O	83¼	May 26,'04	83¼	83	26,000
• • registered.....		A & O	....		....	....	....
Chic. & Alton Ry 1st lien g. 3½'s.1950	22,000,000	J & J	79	May 31,'04	80	77½	128,000
• registered...............		J & J	83¾	Apr. 16,'02	....	....	....
Chicago, Burl. & Quincy:							
• Chic. & Iowa div. 5's....1905	2,320,000	F & A	104¾	Apr. 11,'19	....	....	....
• Denver div. 4's..........1922	4,931,000	F & A	100¾	May 7,'04	100¾	100¾	5,000
• Illinois div. 3½s........1949	41,000,000	J & J	93	May 20,'04	94	93	74,000
• registered..................		J & J	90½	Apr. 16,'04	....	....	....
• (Iowa div.) sink. f'd 5's, 1919	2,449,000	A & O	109¾	Apr. 27,'04	....	....	....
• 4's.......................1919	8,049,000	A & O	101⅛	May 25,'04	101⅛	101⅛	8,000
• Nebraska extensi'n 4's, 1927	25,627,000	M & N	104	May 31,'04	105	103½	165,000
• registered..................		M & N	105	Dec. 2,'03	....	....	....
• Southwestern div. 4's..1921	2,650,000	M & S	100¾	Feb. 8,'04	....	....	....
• 4's joint bonds..........1921	215,207,000	J & J	94⅞	May 31,'04	94⅞	94	1,107,000
• • registered		Q JAN	93½	May 31,'04	93¾	93	107,000
• 5's, debentures..........1913	9,000,000	M & N	106⅛	Apr. 8,'04	....	....	....
Han. & St. Jos. con. 6's.......1911	8,000,000	M & S	115	Feb. 27,'04	....	....	....
Chicago & E. Ill. 1st s. f'd c'y. 6's.1907	2,989,000	J & D	108	Apr. 21,'04	....	....	....
• small bonds..............		J & D	112	Apr. 2,'96	....	....	....
• 1st con. 6's, gold......1934	2,653,000	A & O	129	Apr. 12,'04	....	....	....
• gen. con. 1st 5's.......1937	15,323,000	M & N	115¾	May 31,'04	115¾	114½	6,000
• registered.................		M & N	119½	Apr. 13,'03	....	....	....
Chicago & Ind. Coal 1st 5's 1936	4,323,000	J & J	113	Jan. 16,'04	....	....	....
Chicago, Indianapolis & Louisville.							
• refunding g. 6's...........1947	4,700,000	J & J	129	May 11,'04	129	129	2,000
• ref. g. 5's..................1947	4,442,000	J & J	108	July 24,'03	....	....	....
Louisv. N. Alb. & Chic. 1st 6's..1910	3,000,000	J & J	109	Mar. 7,'04	....	....	....
Chicago, Milwaukee & St. Paul.							
Chicago Mil. & St. Paul con. 7's, 1905	1,286,000	J & J	175	Apr. 22,'04	....	....	....
• terminal g. 5's.........1914	4,748,000	J & J	110⅛	Apr. 27,'04	....	....	....
• gen. g. 4's, series A....1989	23,676,000	J & J	109	May 27,'04	109½	109	15,000
• registered..................	....	Q J	111	Dec. 8,'02	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. Principal Due.	Amount.	Int'st paid.	LAST SALE. Price.	Date.	MAY SALES. High.	Low.	Total.
" gen. g. 3½'s, series B.1989	2,500,000	J & J	98⅛	May 25,'04	98⅛	98⅛	6,000
" registered		J & J	....		....	....	....
" Chic. & Lake Sup. 5's, 1921	1,360,000	J & J	116½	Apr. 29,'03	....	....	....
" Chic. & M. R. div. 5's, 1926	3,083,000	J & J	116	Apr. 15,'04	....	....	....
" Chic. & Pac. div. 6's, 1910	3,000,000	J & J	110¼	Feb. 23,'04	....	....	....
" 1st Chic. & P. W. g. 5's.1921	25,340,000	J & J	116⅛	May 26,'04	116⅛	115⅛	22,000
" Dakota & Gt. S. g. 5's.1916	2,856,000	J & J	111⅛	May 13,'04	111⅛	111	6,000
" Far. & So. g. 6's assu...1924	1,250,000	J & J	137½	July 18,'98	....	....	....
" 1st H'st & Dk. div. 7's, 1910	5,680,000	J & J	117¾	May 25,'04	117¾	117¾	4,000
" 1st 5's 1910	990,000	J & J	106	Mar. 25,'04	....	....	....
" 1st 7's, Iowa & D, ex, 1908	1,005,000	J & J	169	Mar. 14,'04	....	....	....
" 1st 5's, La. C. & Dav...1919	2,500,000	J & J	113⅝	Oct. 28,'03	....	....	....
" Mineral Point div. 5's, 1910	2,840,000	J & J	107	May 4,'04	107	107	1,000
" 1st So. Min. div. 6's....1910	7,432,000	J & J	112¼	May 23,'04	112¼	112⅛	49,000
" 1st 6's, Southw'n div., 1909	4,000,000	J & J	112	May 26,'04	112	111	8,000
" Wis. & Min. div. g. 5's.1921	4,755,000	J & J	115⅛	May 26,'04	115⅛	115⅛	1,000
" Mil. & N. 1st M. L. 6's.1910	2,155,000	J & D	113	Oct. 27,'03	....	....	....
" 1st con. 6's.........1913	5,092,000	J & D	117⅜	Apr. 21,'04	....	....	....
Chic. & Northwestern con. 7's...1915	12,832,000	Q F	129¼	May 14,'04	129¼	129¼	6,000
" extension 4's.....1886-1926	18,632,000	F A 15	102¾	Apr. 15,'04	....	....	....
" registered		F A 15	102⅝	May 11,'04	102⅝	102⅝	20,000
" gen. g. 3½'s.........1987	20,538,000	M & N	96½	May 24,'04	96½	96½	6,000
" registered		Q F	103	Nov. 19,'98	....	....	....
" sinking fund 6's..1879-1929	5,636,000	A & O	111¼	Apr. 7,'04	....	....	....
" registered		A & O	111⅛	Dec. 11,'03	....	....	....
" sinking fund 5s'..1879-1929	6,769,000	A & O	110	May 6,'04	110	109¾	7,000
" registered		A & O	107	Mar. 28,'04	....	....	....
" deben. 5's.........1909	5,900,000	M & N	105	Mar. 24,'04	....	....	....
" registered		M & N	104	Mar. 3,'04	....	....	....
" deben. 5's.........1921	10,000,000	A & O	107½	May 17,'04	107¾	107¾	3,000
" registered		A & O	108¾	Jan. 12,'04	....	....	....
" sinking f'd deben. 5's.1933	9,800,000	M & N	116½	May 27,'04	116½	116	13,000
" registered		M & N	116	Apr. 13,'04	....	....	....
Des Moines & Minn. 1st 7's.....1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Milwaukee & Madison 1st 6's...1905	1,600,000	M & S	106	Nov. 5,'02	....	....	....
Northern Illinois 1st 5's.......1910	1,500,000	M & S	105½	May 23,'04	105½	105½	1,000
Ottumwa C. F. & St. P. 1st 5's..1909	1,600,000	M & S	105⅝	Nov. 17,'03	....	....	....
Winona & St. Peters 2d 7's.....1907	1,592,000	M & N	109¼	May 13,'04	109¼	109¼	2,000
Mil., L. Shore & We'n 1st g. 6's.1921	5,000,000	M & N	126⅝	May 13,'04	126¾	126⅝	13,000
" ext. & impt. s.f'd g. 5's1929	4,148,000	F & A	117¾	Mar. 26,'04	....	....	....
" Ashland div. 1st g. 6's 1925	1,000,000	M & S	142½	Feb. 10,'02	....	....	....
" Michigan div. 1st g. 6's.1924	1,281,000	J & J	131¾	Dec. 3,'03	....	....	....
" con. deb. 5's.........1907	436,000	F & A	103	Apr. 8,'04	....	....	....
" incomes.........1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup...1917	12,500,000	J & J	123⅝	May 24,'04	123⅝	123	18,000
" registered.........1917		J & J	120	Feb. 17,'04	....	....	....
" gen. g. 4's.........1988	61,581,000	J & J	103⅞	May 31,'04	104¾	103	254,000
" registered		J & J	107	Jan. 16,'03	....	....	....
" coll. tr. ser. 4's ser. B.1904	1,494,000	M & N	98	Aug. 18,'03	....	....	....
" C.........1905	1,494,000	M & N	100⅜	July 2,'02	....	....	....
" D.........1906	1,494,000	M & N	....		....	....	....
" E.........1907	1,494,000	M & N	....		....	....	....
" F.........1908	1,494,000	M & N	....		....	....	....
" G.........1909	1,494,000	M & N	....		....	....	....
" H.........1910	1,494,000	M & N	99⅝	June 3,'02	....	....	....
" I.........1911	1,494,000	M & N	....		....	....	....
" J.........1912	1,494,000	M & N	....		....	....	....
" K.........1913	1,494,000	M & N	....		....	....	....
" L.........1914	1,494,000	M & N	....		....	....	....
" M.........1915	1,494,000	M & N	96	May 16,'04	96	96	8,000
" N.........1916	1,494,000	M & N	93	May 24,'04	93	93	5,000
" O.........1917	1,494,000	M & N	....		....	....	....
" P.........1918	1,494,000	M & N	90	May 11,'04	90	90	2,000
Chic. Rock Is. & Pac. R.R. 4's..2002	69,557,000	M & N	68¾	May 31,'04	71½	68½	1,022,000
" registered		M & N	88¾	Jan. 7,'03	....	....	....
" coll. trust g. 5's.......1913	17,142,000	M & S	79½	May 31,'04	82	79	423,000
Burlington, Cedar R. & N. 1st 5's. 1906	6,500,000	J & D	103¾	May 31,'04	103¾	103⅜	37,500
" con. 1st & col. tst 5's.1934	11,000,000	A & O	115⅝	May 4,'04	115⅝	115⅝	1,000
" registered		A & O	120½	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's.1921	1,905,000	A & O	118	Jan. 27,'02	....	....	....
Minneap's & St. Louis 1st 7's. g. 1927	150,000	J & D	40	Aug 21,'95	....	....	....
Choc., Okla. & Glf. gen. g. 5s....1919	5,500,000	J & J	104⅝	Jan. 26,'04	....	....	....
" con. g. 5's.........1952	5,411,000	J & J	....		....	....	....
Des Moines & Ft. Dodge 1st 4's.1905	1,200,000	J & J	95¼	Oct. 1,'03	....	....	....
" 1st 2½'s.........1905	1,200,000	J & J	90	Oct. 1,'03	....	....	....
" extension 4's.........	672,000	J & J	98	Jan. 13,'04	....	....	....
Keokuk & Des M. 1st mor. 5's..1923	2,750,000	A & O	104½	Apr. 22,'04	....	....	....
" small bond.........1923	....	A & O	102½	Apr. 26,'04	....	....	....

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MAY SALES. *High.*	MAY SALES. *Low.*	MAY SALES. *Total.*
Chic., St.P., Minn.& Oma.con.6's	1930	14,682,000	J & D	133⅛	May 27,'04	133¾	133	21,000
• con.6's reduced to 3½'s	1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's	1918	1,872,000	M & N	129	May 11,'04	129	129	500
North Wisconsin 1st mort. 6's	1930	659,000	J & J	129¾	Mar. 3,'04	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	122	May 17,'04	122½	121⅛	15,000
Chic., Term. Trans. R. R. g. 4's	1947	14,735,000	J & J	74	May 27,'04	80¾	72⅛	381,000
Chic. & Wn. Ind. gen'l g. 6's	1932	9,583,000	Q M	111⅛	Apr. 28,'04	....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	927,000	A & O	104⅛	Dec. 5,'03	....	....	....
• 2d g. 4½'s	1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's	1941	3,500,000	M & N	112	May 16,'04	112	111¼	15,000
Cin. Find. & Ft. W. 1st gtd g. 4's	1923	1,000,000	M & N	....	....	....	....	....
Cin. Ind.&Wn.1st&ref.gtd g.4's	1953	3,200,000	J & J	....	....	....	....	....
Clev., Cin., Chic.& St.L. gen.g. 4's	1993	18,749,000	J & D	101	May 31,'04	101	100⅝	125,000
• do Cairo div. 1st g. 4's	1939	5,000,000	J & J	101⅛	May 6,'04	101⅛	101⅛	10,000
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	98	Feb. 2,'04	....	....	....
St. Louis div. 1st col. trust g.4's	1990	9,750,000	M & N	100¾	May 24,'04	100¾	100¼	93,000
• registered				99	Jan. 28,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	102	Dec. 9,'02	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	94½	Aug. 31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g.4's	1936	7,599,000	Q F	101½	Mar. 31,'04	....	....	....
• registered				95	Nov. 15,'94	....	....	....
• con. 6's	1920	668,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky&Clev.con.1st g.5's	1928	2,571,000	J & J	110½	Mar. 15,'04	....	....	....
Clev., C., C. & Ind. con. 7's	1914	3,991,000	J & D	120	July 28,'02	....	....	....
• sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
• gen. consol 6's	1934	3,205,000	J & J	128	Mar. 16,'04	....	....	....
• registered			J & J	....	....	....	....	....
Ind. Bloom. & West. 1st pfd 4's	1940	981,500	A & O	104½	Nov. 19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	96¾	May 20,'04	96¾	96½	8,000
• income 4's	1990	4,000,000	A	59	May 18,'04	59	58	16,000
Clev., Lorain & Wheel'g con.1st 5's	1933	5,000,000	A & O	112½	Feb. 9,'04	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	116	Feb. 10,'04	....	....	....
• registered			Q J	....	....	....	....	....
Col. Midld Ry. 1st g. 4's	1947	8,946,000	J & J	60	May 24,'04	60	60	20,000
Colorado & Southern 1st g. 4's	1929	18,808,000	F & A	84	May 31,'04	84⅝	83¾	207,000
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	112⅝	Jan. 25,'04	....	....	....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	127½	May 17,'04	127⅝	127½	6,500
• 1st c. gtd 7's	1915	11,677,000	J & D	132¼	May 24,'04	133	132	37,000
• registered			J & D	140	Oct. 26,'98	....	....	....
• 1st refund.gtd.g.3½'s	2000	7,030,000	J & D	....	....	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	129¼	May 19,'04	129¼	129⅝	6,000
• const. 5's	1923	5,000,000	F & A	115½	May 13,'04	115½	114	11,000
• terml. imp. 4's	1923	5,000,000	M & N	100½	May 23,'04	100½	100½	1,000
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	109⅞	Feb. 8,'04	....	....	....
Warren Rd. 1st rfdg.gtd g.3½'s	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
• 1st Penn. Div. c. 7's	1917	5,000,000	M & S	133¾	Mar. 30,'04	....	....	....
• reg	1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	103	Apr. 11,'04	....	....	....
• registered			A & O	122	June 6,'99	....	....	....
• 6's	1906	7,000,000	A & O	104	May 12,'04	104	104	1,000
• registered			A & O	109½	Nov. 16,'01	....	....	....
Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	143¾	Nov. 10,'02	....	....	....
• 1st r 7's	1921		M & N	147¾	June 18,'03	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	33,450,000	J & J	98½	May 21,'04	99¾	98½	40,000
• con. g. 4½'s	1936	6,382,000	J & J	106⅝	May 22,'03	....	....	....
• impt. m. g. 5's	1928	8,318,500	J & D	106	May 16,'04	106½	106	14,500
Rio Grande Western 1st g. 4's	1939	15,200,000	J & J	96	May 31,'04	96¼	95⅝	44,000
• mge.&col.tr.g.4's ser.A	1949	12,200,000	A & O	88½	May 31,'04	88½	87½	61,000
Utah Central 1st gtd. g. 4's	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Denv. & Southern Ry g.s. fg. 5's	1929	4,923,000	J & D	24	May 4,'04	24	24	2,000
• Midl'd Ter. Ry.1st g.s.f.5's	1925	128,000	J & D	....	....	....	....	....
Des Moines Union Ry 1st g. 5's	1917	628,000	M & N	111	Feb. 28,'03	....	....	....
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	99½	May 11,'04	99½	99½	10,000
• g. 4s	1995	1,250,000	J & D	94¼	May 4,'04	94¼	94¼	4,000
Detroit Southern 1st g. 4's	1951	3,866,000	J & D	75½	Aug. 25,'03	....	....	....
• Ohio South. div.1st g.4's	1941	4,281,000	M & S	80	May 12,'04	80	80	2,000
Duluth & Iron Range 1st 5's	1937	6,732,000	A & O	110½	May 2,'04	110½	110½	11,000
• registered			A & O	101½	July 23,'89	....	....	....
• 2d l m 6s	1916	2,000,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	3,816,000	J & J	111	Jan. 28,'04	....	....	....
Duluth Short Line 1st gtd. 5's	1916	500,000	M & S	....	....	....	...	....
Elgin Joliet & Eastern 1st g 5's	1941	8,500,000	M & N	113	May 31,'04	113	113	1,000

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Erie 1st ext. g. 4's	1947	2,482,000	M & N	114	May 25,'03	....	....	....
" 2d extended g. 5's	1919	2,149,000	M & S	112⅝	Apr. 4,'04	....	....	....
" 3d extended g. 4½'s	1923	4,617,000	M & S	108½	May 4,'04	108½	108½	4,000
" 4th extended g. 5's	1920	2,926,000	A & O	114	Mar. 24,'04	....	....	....
" 5th extended g. 4's	1928	709,500	J & D	101⅞	June 26,'03	....	....	....
" 1st cons. gold 7's	1920	16,890,000	M & S	132¾	May 13,'04	132⅞	132½	21,000
" 1st cons. fund g. 7's	1920	3,699,500	M & S	130	Aug. 7,'03	....	....	....
Erie R.R. 1st con.g-4s prior bds.	1996	35,000,000	J&J	98⅝	May 31,'04	96⅝	96⅝	226,000
" registered			J&J	98½	Jan. 21,'04	....	....	....
" 1st con. gen. lien g. 4s.	1996	34,885,000	J&J	85⅞	May 27,'04	87	85	219,000
" registered			J&J	85¾	Feb. 4,'04	....	....	....
" Penn. col. trust g. 4's.	1951	32,000,000	F & A	89	May 31,'04	91½	89	86,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	125½	June 17,'03	....	....	....
Buffalo & Southwestern g. 6's	1908	1,500,000	J&J	....		....	....	....
" small			J&J	....		....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	116⅛	May 26,'04	117	116	58,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	106	Aug. 5,'02	....	....	....
Long Dock consol. g. 6's	1935	7,500,000	A & O	132	Apr. 13,'04	....	....	....
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	115¾	May 26,'04	115¾	115¾	1,000
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	113½	Nov. 25,'03	....	....	....
N. Y. & Greenw'd Lake gt g 5's	1946	1,453,000	M&N	108½	Jan. 6,'04	....	....	....
" small								
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	110¾	May 17,'04	111	110½	10,000
N.Y., Sus.&W. 1st refdg. g. 5's	1937	3,745,000	J & J	111	May 10,'04	111	111	1,000
" 2d g. 4½'s	1937	447,000	F & A	100	May 4,'04	100	100	1,000
" gen. g. 5's	1940	2,546,000	F & A	102½	May 26,'04	102½	101½	9,000
" term. 1st g. 5's	1943	2,000,000	M & N	113½	Jan. 8,'04	....	....	....
" registered......$5,000 each			M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	109	Apr. 19,'04	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,581,000	J & J	107	Dec. 17,'03	....	....	....
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	116	Mar. 25,'04	....	....	....
" 1st General g 5's	1942	2,223,000	A & O	102½	May 26,'04	103	101	11,000
" Mount Vernon 1st 6's	1923	375,000	A & O	112	June 2,'02	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	95	Sept. 15,'91	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s	1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	107	May 27,'04	108	106½	56,000
Ft. Worth & Rio Grande 1st g 5's	1928	2,363,000	J & J	75	May 13,'04	75	75	5,000
Galveston H. & H. of 1882 1st 5s	1913	2,000,000	A & O	102½	May 24,'04	102½	102½	2,000
Gulf & Ship Isl. 1st refg. & ter. 5's	1952	4,591,000	J & J	104½	May 23,'04	104½	104	7,000
" registered			J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	13,139,000	J & J	107½	May 27,'04	107½	107	180,000
" registered			J & J	107½	Apr. 30,'04	....	....	....
Col. Hock's Val. 1st ext. g. 4's	1848	1,401,000	A & O	100¼	Apr. 12,'04	....	....	....
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	115	Apr. 11,'04	....	....	....
" registered			J&J	113½	Mar. 12,19'	....	....	....
" 1st gold 3½'s	1951	2,499,000	J&J	101¼	Apr. 20,'04	....	....	....
" registered			J&J	94	Mar. 28,'03	....	....	....
" extend 1st g 3½'s	1951	3,000,000	A & O	99¼	Oct. 22,'03	....	....	....
" registered			A & O	....		....	....	....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92½	July 13,'96	....	....	....
" registered			M & S	....		....	....	....
" total outstg....$13,950,000								
" collat. trust gold 4's	1952	15,000,000	A & O	104	May 31,'04	104	103	6,000
" regist'd			A & O	102	Oct. 4,'03	....	....	....
" col.t.g.4s L.N.O.&Tex.	1953	24,679,000	M & N	102¾	May 21,'04	102¾	102⅝	4,000
" registered			M & N	101	Apr. 7,'04	....	....	....
" Cairo Bridge g 4's	1950	3,000,000	J & D	106½	Mar. 7,'03	....	....	....
" registered			J & D	123	May 24,'99	....	....	....
" Louisville div. g. 3½'s	1953	14,320,000	J & J	93½	Apr. 30,'04	....	....	....
" registered			J & J	88½	Dec. 8,'99	....	....	....
" Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
" St. Louis div. g. 3's	1951	4,939,000	J & J	80	Jan. 12,'04	....	....	....
" registered			J & J	101¼	Jan. 31,'19	....	....	....
" g. 3½'s	1951	6,321,000	J & J	93	Apr. 2,'04	....	....	....
" registered			J & J	101½	Sept. 10,'95	....	....	....
" Sp'gfield div 1st g 3½'s	1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
" registered			J & J	124	Dec. 11,'99	....	....	....
" West'n Line 1st g. 4's	1951	5,425,000	F & A	106¾	Mar. 28,'04	....	....	....
" registered			F & A	101½	Jan. 31,'91	....	....	....
Belleville & Carodt 1st 6's	1923	470,000	J & D	124½	Apr. 5,'04	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MAY SALES. *High.*	MAY SALES. *Low.*	MAY SALES. *Total.*
Carbond'e & Shawt'n 1st g. 4's	1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's	1951	16,555,000	J D 15	119	Feb. 25,'04	....	....	....
• gold 5's, registered			J D 15	119¾	Mar. 12,'04	....	....	....
• g. 3½'s	1951	1,352,000	J D 15	93⅝	May 31,'04	93⅝	93⅝	5,000
• registered			J D 15	106¼	Aug.17,'99	....	....	....
• Memph. div. 1st g. 4's	1951	3,500,000	J & D	102¼	Dec. 15,'03	....	....	....
• registered			J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's	1931	508,000	M & S	101	Mar. 3,'02	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	106	Mar. 28,'04	....	....	....
• 1st gtd. g. 5's	1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's	1950	4,850,000	J & J	101	Feb. 29,'04	....	....	....
Internat. & Gt. N'n 1st. 6's, gold	1919	11,291,000	M & N	119	Mar. 11,'04	....	....	....
• 2d g. 5's	1909	10,391,000	M & S	99	May 26,'04	100	98½	198,500
• 3d g. 4's	1921	2,959,500	M & S	70	Nov. 19,'03	....	....	....
Iowa Central 1st gold 5's	1938	7,650,000	J & D	111¾	May 27,'04	111¾	111	8,000
• refunding g. 4's	1951	2,000,000	M & S	89	Feb. 5,'04	....	....	....
Kansas City Southern 1st g. 3's	1950	30,000,000	A & O	69⅞	May 31,'04	70½	69¾	210,900
• registered			A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	119	May 31,'04	119	119	2,000
• 2d mtge. g. 5's	1941	3,625,000	J & J	112½	Apr. 15,'04	....	....	....
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	112	Feb. 16,'04	....	....	....
Lehigh Val. (Pa.) coll. g. 5's	1997	8,000,000	M & N	107¼	May 21,'04	107½	107	6,000
• registered			M & N	....		....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J&J	108½	May 24,'04	108½	107¾	3,000
• registered		....	J&J	105	Jan. 6,'04	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	113⅝	June 1,'02	....	....	....
• registered			A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,014,000	J & J	107	Jan. 19,'04	....	....	....
• registered	1933		J & J	....		....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	93	May 12,'04	93	92	11,000
• registered			M&S	....		....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	....		....	....	....
• • g. gtd 5's	1914	1,250,000	A & O	100	Mar. 25,'99	....	....	....
Long Island 1st cons. 5's	1931	3,610,000	Q J	116	Apr. 9,'03	....	....	....
• 1st con. g. 4's	1931	1,121,000	Q J	101	Nov. 22,'99	....	....	....
Long Island gen. m. 4's	1938	3,000,000	J & D	100	May 17,'04	100	100	3,000
• Ferry 1st g. 4½'s	1922	1,494,000	M & S	101	Feb. 29,'04	....	....	....
• g. 4's	1932	325,000	J & D	102½	May 5,'97	....	....	....
• unified g. 4's	1949	6,860,000	M & S	99	May 21,'04	99	99	4,000
• deb. g. 5's	1934	1,135,000	J & D	111	Jan. 22,'02	....	....	....
• gtd. refunding g. 4's	1949	10,000,000	M & S	....		....	....	....
• • registered			M & S	....		....	....	....
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....		....	....	....
• 1st 5's	1911	750,000	M & S	105¼	Mar. 3,'03	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's	1927	883,000	M & S	112½	Jan. 10,'02	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,425,000	Q JAN	112¼	Apr. 9,'02	....	....	....
Louisiana & Arkan. Ry. 1st g. 5's	1927	2,724,000	M & S	101⅛	May 26,'04	101⅛	100¼	35,000
Louis. & Nash. gen. g. 6's	1930	8,584,000	J & D	117⅛	May 16,'04	117⅛	117⅛	16,000
• gold 5's	1937	1,764,000	M & N	110½	Dec. 18,'03	....	....	....
• Unified gold 4's	1940	31,722,000	J & J	100⅝	May 31,'04	101⅜	100¼	254,000
• registered	1940		J & J	88	Feb. 27,'93	....	....	....
• collateral trust g. 5's	1931	5,129,000	M & N	110	Mar. 28,'04	....	....	....
• 5-20yr. col. tr. deed g. 4's	1923	23,000,000	A & O	97¼	May 31,'04	97½	96⅝	130,000
• E., Hend. & N. 1st 6's	1919	1,730,000	J & D	113	Nov. 5,'03	....	....	....
• L. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	108¼	Jan. 30,'03	....	....	....
• N. O. & Mobile 1st g. 6's	1930	5,000,000	J & J	128½	May 31,'04	128½	128½	4,000
• 2d g. 6's	1930	1,000,000	J & J	122¾	Aug. 31,'03	....	....	....
• Pensacola div. g. 6's	1920	580,000	M & S	116⅝	Mar. 22,'02	....	....	....
• St. Louis div. 1st g. 6's	1921	3,500,000	M & S	122	Apr. 21,'04	....	....	....
• 2d g. 3's	1980	3,000,000	M & S	75	June 20,'02	....	....	....
• H. B'ge 1st sk'fd. g 6's	1931	1,587,000	M & S	....		....	....	....
• Ken. Cent. g. 4's	1987	6,742,000	J & J	98	May 21,'04	98	98	1,000
• L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	107½	June 2,'02	....	....	....
• South. Mon. joint 4's	1952	11,827,000	J & J	92¾	May 31,'04	92¾	91⅞	95,000
• registered			Q Jan	....		....	....	....
• N. Fla. & S. 1st g. g. 5's	1937	2,096,000	F & A	111	Dec. 8,'03	....	....	....
• Pen. & At. 1st g. g. 6's	1921	2,454,000	F & A	115	Jan. 29,'04	....	....	....
• S. & N. A. con. gtd. g. 5's	1936	3,678,000	F & A	112	Apr. 21,'04	....	....	....
• So. & N. Ala. sl'fd. g. 6s	1910	1,942,000	A & O	110	Mar. 23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	97½	Apr. 9,'04	....	....	....
Manhattan Railway Con. 4's	1990	28,065,000	A & O	103¼	May 31,'04	103¾	102¾	104,000
• registered			A & O	103⅞	Dec. 17,'02	....	....	....

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NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	Date.	MAY SALES. High.	Low.	Total.
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	109¾	May 25,'04	109¾	109¼	24,000
Manitoba Swn. Coloniza'n g. 5's,	1934	2,544,000	J & D	....		....	....	....
Mexican Central.								
" con. mtge. 4's	1911	65,690,000	J & J	64¾	May 31,'04	67	64	140,000
" 1st con. inc. 3's	1939	20,511,000	JULY	12	May 31,'04	14	12	255,000
" 2d 3's	1939	11,724,000	JULY	7⅛	May 20,'04	8	7	177,000
" equip. & collat. g. 5's	1917	600,000	A & O	....		....	....	....
" 2d series g. 5's	1919	715,000	A & O	....		....	....	....
" col.trust g.4½'s1st se of	1907	10,000,000	F & A	95	May 25,'04	95	95	15,000
Mexican Internat'l 1st con g. 4's,	1977	3,362,000	M & S	90⅝	July 29,'01	....	....	....
" stamped gtd		3,621,000	......	....		....	....	....
Mexican Northern 1st g. 6's	1910	1,061,000	J & D	....		....	....	....
" registered			J & D	105	May 2,19'	....	....	....
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	142	Dec. 7,'03	....	....	....
" Iowa ext. 1st g. 7's	1909	1,015,000	J & D	112⅝	Dec. 24,'03	....	....	....
" Pacific ext. 1st g. 6's	1921	1,382,000	J & A	120½	Feb. 29,'04	....	....	....
" Southw. ext. 1st g. 7's	1910	636,000	J & D	121	Jan. 21,'02	....	....	....
" 1st con. g. 5's	1934	5,000,000	M & N	114	May 26,'04	114	113	2,000
" 1st & refunding g. 4's	1949	7,600,000	M & S	95¾	May 23,'04	96¼	95½	9,000
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	26,815,000	J & J	98	Apr. 3,'01	....	....	....
" stamped pay. of int. gtd.				....		....	....	....
Minneapolis & Pacific 1st m. 5's	1936	337,000	J & J	102	Mar. 26,'87	....	....	....
" stamped 4's pay. of int. gtd.				....		....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,209,000	J & J	103	Nov. 11,'01	....	....	....
" stamped pay. of int. gtd.				89⅝	June 18,'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	40,000,000	J & D	100½	May 31,'04	100¾	100	180,500
" 2d mtge. g. 4's	1990	20,000,000	F & A	77½	May 31,'04	78¾	77⅜	75,500
" 1st ext gold 5's	1944	2,868,000	M & N	100	May 31,'04	101½	100	113,000
St. Louis div. 1st refundg 4s	2001	1,852,000	A & O	82	Mar. 28,'04	....	....	....
Dallas & Waco 1st gtd. g. 5's	1940	1,340,000	M & N	102	Jan. 26,'04	....	....	....
Mo. K.&T. of Tex 1st gtd. g. 5's	1942	3,907,000	M & S	102	May 31,'04	102¼	101	121,000
Sher.Shrevept & Sol st gtd. g. 5's	1943	1,689,000	J & D	103	May 10,'04	103	103	1,000
Kan. City & Pacific 1st g. 4's	1990	2,500,000	F & A	88¾	May 24,'04	88¾	88	4,000
Mo. Kan. & East'n 1st gtd. g. 5's	1942	4,000,000	A & O	108⅛	May 9,'04	108⅛	108⅛	8,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	119¼	May 19,'04	119⅝	119¼	46,000
" 3d mortgage 7's	1906	3,828,000	M & N	109⅛	Apr. 25,'04	....	....	....
" trusts gold 5's stamp'd	1917	14,376,000	M & S	106½	May 27,'04	106½	105⅝	92,000
" registered			M & S	....		....	....	....
" 1st collateral gold 5's	1920	9,636,000	F & A	107¼	May 27,'04	107¼	106	18,000
" registered			F & A	....		....	....	....
Cent. Branch Ry. 1st gtg. g. 4's	1919	3,459,000	F & A	93⅞	May 25,'04	94	93⅞	6,000
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	100	May 1,'01	....	....	....
Little Rock & Ft. Smith 1st 7's	1905	3,000,000	J & J	....		....	....	....
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	102¼	May 27,'04	102¼	102	5,000
" 2d extended g. 5's	1938	2,573,000	F & A	113¾	May 25,'04	114⅝	113¾	16,000
St. L. & I. g. con. R.R.&l.gr. 5's	1931	36,799,000	A & O	114⅞	May 31,'04	114⅞	113	170,000
" stamped gtd gold 5's	1931	6,532,000	A & O	109¾	Oct. 21,'03	....	....	....
" unify'g & rfd'g g. 4's	1929	27,563,000	J & J	88½	May 31,'04	88⅛	87⅞	199,000
" registered			J & J	87¼	Apr. 23,'04	....	....	....
" Riv & Gulf divs 1st g 4s	1933	14,924,000	M & N	92¾	May 20,'04	92¾	91	120,000
" registered			M & N	....		....	....	....
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S	....		....	....	....
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	111½	Mar. 8,04'	....	....	....
" small		226,000	J & J	90	Feb. 4,'03	....	....	....
" mtg. g. 4's	1945	700,000	J & J	91	Feb. 25,'04	....	....	....
" small		500,000	......	....		....	....	....
Mob. Jackson & Kan. City 1st g. 5's	1946	1,882,000	J & D	102	July 25,'02	....	....	....
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	126½	May 31,'03	126½	126½	2,000
" 1st extension 6's	1927	974,000	J & D	121	Apr. 23,'04	....	....	....
" gen. g. 4's	1938	9,472,000	Q J	93½	Apr. 15,'04	....	....	....
" Montg'ry div. 1st g. 5's	1947	4,000,000	F & A	113½	May 9,'04	113½	113½	2,000
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	90	Apr. 13,'04	....	....	....
" collateral g. 4's	1930	2,494,000	Q F	90	May 11,'04	90	90	10,000
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	123¾	May 18,'04	123¾	123½	12,000
" 1st cons. g. 5's	1928	7,566,000	A & O	112½	May 21,'04	113	112½	14,000
" 1st g. 6's Jasper Branch	1923	371,000	J & J	123	Mar. 28,'01	....	....	....
" 1st 6's McM. M.W. & Al.	1917	750,000	J & J	116	July 31,'02	....	....	....
" 1st 6's T. & Pb.	1917	300,000	J & J	110	Dec. 20,'99	....	....	....
Nat. R.R. of Mex. prior lien g. 4½'s	1926	20,000,000	J & J	102¼	May 12,'04	102¼	102¼	1,000
" 1st con. g. 4's	1951	22,000,000	A & O	74⅛	May 19,'04	74⅛	73¾	107,000
N. O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108½	Aug. 13,'94	....	....	....

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	May Sales. High.	May Sales. Low.	May Sales. Total.
N.Y. Cent. & Hud. R. g. mtg. 3½s	1997	70,857,000	J & J	99⅞	May 31,'04	99⅞	98⅛	208,000
″ ″ registered			J & J	98	Jan. 27,'04			
″ debenture 5's	1884-1904	4,480,000	M & S	101¼	May 11,'04	101¼	101¼	5,000
debenture 5's reg			M & S	100⅞	Apr. 6,'04			
″ reg. deben. 5's	1889-1904	639,000	M & S	103⅛	Apr. 30,'01			
″ debenture g. 4's	1890-1905	5,094,000	J & D	100⅝	Mar. 2,'04			
″ registered			J & D	99	Dec. 12,'02			
″ deb. cert. ext. g. 4's	1905	3,581,000	M & N	99¾	May 17,'04	99¾	99½	2,000
″ registered			M & N	99½	Nov. 8,'02			
Lake Shore col. g. 3½s	1998	90,578,000	F & A	90⅛	May 31,'04	91	89⅛	187,000
″ registered			F & A	88⅛	Apr. 23,'04			
Michigan Central col. g. 3½s	1998	19,336,000	F & A	89¾	May 24,'04	90	87⅝	77,000
″ registered			F & A	91	Jan. 17,'03			
Beech Creek 1st. gtd. 4's	1936	5,000,000	J & J	105⅞	Mar. 29,'04			
″ registered			J & J	102	Mar. 31,'03			
″ 2d gtd. g. 5's	1936	500,000	J & J					
″ registered			J & J					
″ ext. 1st. gtd. g. 3½'s	1951	3,500,000	A & O					
″ registered			A & O					
Carthage & Adiron. 1st gtd g. 4's	1981	1,100,000	J & D					
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A.	1940	716,000	J & J	95	Apr. 3,'02			
″ small bonds series B		33,000	J & J					
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D					
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	107½	July 6,19'			
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	105	Oct. 10,'02			
″ reg. certificates			F & A					
N.Y. & Putnam 1st con. gtd g. 4's	1993	4,000,000	A & O	105½	Nov. 15,'96			
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O					
West Shore 1st guaranteed 4's	2361	50,000,000	J & J	108⅜	May 27,'04	109	107⅝	100,000
″ registered			J & J	107⅛	May 27,'04	107¾	107	93,500
Lake Shore g 3½s	1997	50,000,000		100⅛	May 31,'04	100⅝	99¾	29,000
″ registered			J & D	98	Apr. 13,'04			
″ deb. g. 4's	1928	40,000,000	M & S	99¾	May 31,'04	99¾	99⅜	71,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	114	Feb. 6,'02			
Kal., A. & G. R. 1st gtd c. 5's	1938	840,000	J & J					
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	121	Nov. 21,'03			
Pitt McK'port & Y. 1st gtd 6's	1932	2,250,000	J & J	139	Jan. 21,'03			
″ 2d gtd 6's	1934	900,000	J & J					
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J					
Michigan Cent. 6's	1909	1,500,000	M & S	109⅜	Apr. 19,'04			
″ 5's	1931	3,576,000	M & S	122	Jan. 16,'04			
″ 5's reg	1931		Q M	127	June 19,'02			
″ 4's	1940	2,600,000	J & J	106¼	Apr. 30,'04			
″ 4's reg			J & J	106½	Nov. 26,19'			
″ g. 3½'s sec. by 1st mge. on J. L. & S.		1,900,000	M & S					
″ 1st g. 3½'s	1952	13,000,000	M & N	96¼	May 26,'04	96¼	96¼	5,000
Battle C. Sturgis 1st g. g. 3's	1989	476,000	J & D					
N. Y. & Harlem 1st mort. 7's c.	1900	12,000,000	M & N	100	Sept. 24,19'			
″ 7's registered	1900		M & N	102¾	Apr. 6,19'			
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	113	Apr. 4,'04			
R. W. & Og. con. 1st ext. 5's	1922	2,031,000	A & O	115½	May 6,'04	115½	115½	1,000
coup. g. bond currency			A & O					
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	113¾	Jan. 25,'02			
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N					
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	104¼	Apr. 5,'04			
N.Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	103⅛	May 31,'04	104	103⅛	11,000
″ registered			A & O	101	Mar. 28,'03			
N. Y., N. Haven & Hartford.								
Housatonic R. con. g. 5's	1937	2,838,000	M & N	131¾	Apr. 29,'03			
New Haven and Derby con. 5's	1918	575,000	M & N	115½	Oct. 15,'94			
N. Y. & New England 1st 7's	1905	6,000,000	J & J	101⅞	Apr. 20,'03			
″ 1st 6's	1905	4,000,000	J & J	101	Sept. 8,'03			
N.Y., Ont. & W'n. ref'ding 1st g. 4's	1992	17,937,000	M & S	102⅞	May 31,'04	103½	100¾	89,000
″ registered.......$5,000 only.			M & S	100	Dec. 7,'03			
Norfolk & Southern 1st g. 5's	1941	1,590,000	M & N	112½	Apr. 12,'04			
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	132	Sept. 2,'03			
″ imp'ment and ext. 6's	1934	5,000,000	F & A	127	Nov. 28,'03			
″ New River 1st 6's	1932	2,000,000	A & O	127	Apr. 27,'03			

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sale for the month.

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	May Sales. High.	May Sales. Low.	May Sales. Total.
Norfolk & West. Ry 1st con. g. 4s.	1996		A & O	98¾	May 31,'04	98⅞	97⅝	458,000
• **registered**		38,710,500	A & O	96½	Sept.22,'03	....	....	....
• **small bonds**			A & O	......	......	....	....	....
• **Pocahon** C.&C.Co.jt.4's.	1941	20,000,000	J & D	91½	May 27,'04	92	90¾	81,000
• **C. C. & T.** 1st g. t. g g 5's	1922	600,000	J & J	107½	July 1,'01	....	....	....
• **Sci'o Val** & N.E.1st g.4's.	1989	5,000,000	J & N	99⅞	May 17,'04	100	99⅝	26,000
N. P. Ry prior ln ry.&ld.gt.g.4's.	1997	101,392,500	Q J	104⅛	May 31,'04	104½	103⅝	291,500
• **registered**			Q J	103¼	May 26,'04	103½	103	47,000
• **gen. lien** g. 3's	2047	56,000,000	Q F	72	May 31,'04	73	72	445,000
• **registered**			Q F	70½	May 13,'04	70½	70½	1,000
St. Paul & Duluth div. g. 4's	1996	7,897,000	J & D	97⅝	Jan. 11,'04	....	....	....
• **registered**			J & D	......	......	....	....	....
St. Paul & N. Pacific gen g. 6's.	1923	7,985,000	F & A	122¼	Mar. 9,'04	....	....	....
• **registered** certificates			Q F	132	July 28,'98	....	....	....
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	112¼	July 21,'03	....	....	....
• **2d 5's**	1917	2,000,000	A & O	105½	Apr. 11,'04	....	....	....
• **1st con.** g. 4's	1968	1,000,000	J & D	98	Nov.27,'03	....	....	....
Washington Cen. Ry 1st g. 4's.	1948	1,538,000	QMCH	85	May 3,'04	85	85	1,000
Nor. Pacific Term. Co. 1st g. 6's.	1933	3,641,000	J & J	113½	May 31,'04	113½	113½	8,000
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	114½	May 4,'02	....	....	....
• **gen. mort** g. g 6's	1937	2,428,000	A & O	108½	July 29,'02	....	....	....
Pacific Coast Co. 1st g. 5's	1946	4,446,000	J & D	110	May 14,'04	110	108¾	18,000
Panama 1st sink fund g. 4½'s	1917	2,246,000	A & O	102	Apr.21,'03	....	....	....
• **s. f. subsidy** g 6's	1910	887,000	M & N	102	Apr.14,'02	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	109¼	May 23,'04	109¼	108¾	11,000
• **reg**	1921		J & J	108	May 26,'04	108	108	16,000
• **gtd.3½** col.tr.reg. cts.	1937	4,895,000	M & S	96	Feb. 8,'04	....	....	....
• **gtd.3½** col.tr.cts.serB	1941	9,794,000	F & A	92¼	Dec. 28,'03	....	....	....
• **Trust Co**. ctfs. g. 3½'s.	1916	17,332,000	M & N	95⅞	Mar. 25,'04	....	....	....
Chic., St. Louis & P. 1st c. 5's.	1932	1,506,000	A & O	118	May 27,'04	118	118	2,000
• **registered**		....	A & O	110	May 3,'92	....	....	....
Cin., Leb. & N. 1st con.gtd.g.4's.	1942	900,000	J & J	......	......	....	....	....
Clev.&P.gen.gtd.g.4½'s Ser. A.	1942	3,000,000	J & J	108¼	Aug.21,'03	....	....	....
• **Series B**	1942	1,561,000	A & O	......	......	....	....	....
• • int. reduc. 3½ p.c.		439,000	......	......	......	....	....	....
• **Series C** 3½s	1948	3,000,000	M & N	......	......	....	....	....
• **Series D** 3½s	1950	1,933,000	F & A	96	Jan. 8,'04	....	....	....
E.&Pitts. gen.gtd.g.3½s Ser.B.	1940	2,250,000	J & J	102	Nov. 7,19'	....	....	....
• • • C.	1940	1,508,000	J & J	98¾	Apr. 4,'04	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's.	1945	1,400,000	J & J	......	......	....	....	....
Pitts., C. C. & St. L. con. g 4½'s.								
• **Series A**	1940	10,000,000	A & O	108	Apr. 25,'04	....	....	....
• **Series B** gtd	1942	8,786,000	A & O	110	Mar. 5,'04	....	....	....
• **Series C** gtd	1942	1,379,000	M & N	116½	Feb. 14,'01	....	....	....
• **Series D** gtd. 4's	1945	4,983,000	M & N	101½	Mar. 11,'04	....	....	....
• **Series E** gtd. g. 3½s	1949	10,421,000	F & A	90	May 14,'04	90	90	6,000
Pitts., Ft. Wayne & C. 1st 7's.	1912	2,219,000	J & J	127⅝	Oct. 21,'02	....	....	....
• **2d 7's**	1912	1,918,000	J & J	121	Mar. 4,'03	....	....	....
• **3d 7's**	1912	2,000,000	A & O	119	Apr.11,'04	....	....	....
Tol Walhonding Vy.&O.1st gtd.bds								
4½'s series A	1931	1,500,000	J & J	......	......	....	....	....
• **4½'s series** B	1933	978,000	J & J	......	......	....	....	....
• **4's series** C	1942	1,453,000	M & S	......	......	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's.	1923	1,675,000	M & N	105	Mar. 26,'04	....	....	....
con. sterling gold 6 per cent.	1905	22,762,000	J & J	......	......	....	....	....
con. currency, 6's registered.	1905	4,718,000	Q M 15	......	......	....	....	....
con. gold 5 per cent	1919	4,998,000	M & S	114	Dec. 15,'03	....	....	....
• **registered**			Q M	......	......	....	....	....
con. gold 4 per cent	1943	2,797,000	M & N	106	Aug.28,'03	....	....	....
• **ten year** conv. 3½'s.	1912	20,694,500	M & N	94¾	May 27,'04	95½	94¾	150,000
Allegh. Valley gen. gtd. g. 4's.	1942	5,389,000	M & S	110	Aug.28,19'	....	....	....
Belvedere Del. con. gtd. 3½'s.	1943	1,000,000	J & J	......	......	....	....	....
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	112¾	Mar. 7,19'	....	....	....
Del.R. RR.& Bge Co 1stgtdg.4's,	1936	1,300,000	F & A	......	......	....	....	....
G.R.& Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	108½	Apr. 20,'04	....	....	....
Sunbury & Lewistown 1st g.4's.	1936	500,000	J & J	......	......	....	....	....
U'd N.J. RR. & Can Co. g 4's	1944	5,646,000	M & S	117	May 1,19'	....	....	....
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	121	May 14,'04	121	120½	2,000
• **2d m 4½'s**	1921	1,499,000	M & N	95	June16,'03	....	....	....
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr.28,'02	....	....	....
Flint & Pere Marquette g. 6's.	1920	3,999,000	A & O	118	Apr. 19,'04	....	....	....
• **1st con.** gold 5's	1939	2,850,000	M & N	109	May 20,'04	109	109	1,000
• **Port Hur**on d 1st g 5's.	1939	3,325,000	A & O	110½	Feb. 19,'04	....	....	....
Sag'w Tusc. & Hur.1st gtd.g.4's.	1931	1,000,000	F & A	......	......	....	....	....
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'93	....	....	....

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Name.	*Principal Due.*	*Amount.*	*Int'st Paid.*	Last Sale. *Price.*	Last Sale. *Date.*	May Sales. *High.*	May Sales. *Low.*	May Sales. *Total.*
Pittsburg, Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A,	1928	2,000,000	A & O	112½	Dec. 13,'93	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's,	1940	3,000,000	A & O	115½	Mar. 7,'04	....	....	....
" 1st cons. 5's	1943	408,000	J & J	87¾	Jan. 12,19'	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's,	1927	1,562,000	M & N	114⅛	May 5,'04	114⅛	114⅛	2,000
Reading Co. gen. g. 4's	1997	66,232,000	J & J	99⅛	May 31,'04	99⅛	98¼	687,000
" registered			J & J	98	May 6,'03	98	98	3,000
" Jersey Cent. col. g. 4's	1957	23,000,000	......	93	May 24,'04	93⅝	93	13,000
" " registered		....	......	......		....	....	....
Atlantic City 1st con. gtd. g. 4's	1951	1,063,000	M & N	......		....	....	....
Philadelphia & Reading con. 6's	1911	7,304,000	J & D	......		....	....	....
" registered		663,000	J & D	......		....	....	....
" 7's	1911	7,310,000	J & D	119¼	Apr. 2,'04	....	....	....
" " registered		3,339,000	J & D	......		....	....	....
Rio Grande Junc'n 1st gtd. g. 5's,	1939	1,850,000	J & D	105	Dec. 19,'03	....	....	....
Rio Grande Southern 1st g. 4's	1940	2,283,000	J & J	63⅛	Mar. 29,'04	....	....	....
" guaranteed		2,277,000	......	94¼	Nov. 15,'02	....	....	....
Rutland RR 1st con. g. 4½ s	1941	2,440,000	J & J	103¾	May 10,'04	104	103¾	11,000
Ogdnsb. & L. Ch'n. Ry. 1st gtd g 4s	1948	4,400,000	J & J	......		....	....	....
Rutland Canadian 1st gtd. g. 4's	1949	1,350,000	J & J	101¼	Nov. 18,'01	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.342	1947	3,500,000	J & J	84	May 31,'04	84	84	1,000
St. L. & Adirondack Ry. 1st g. 5's	1996	800,000	J & J	......		....	....	....
" 2d g. 6's	1996	400,000	A & O	......		....	....	....
St. Louis & San F. 2d 6's, Class B,	1906	998,000	M & N	103¼	May 6,'04	103¼	103⅛	12,000
" 2d g. 6's, Class C	1906	829,000	M & N	103½	May 17,'04	103½	103½	3,000
" gen. g. 6's	1931	3,681,000	J & J	125	May 4,'04	125	125	3,000
" gen. g. 5's	1931	5,803,000	J & J	112¼	May 31,'04	112¼	111¾	41,000
St. L & San F. R. R. con. g. 4's	1996	1,558,000	J & D	96½	May 19,'04	96½	96½	4,000
" S. W. div. g. 5's	1947	829,000	A & O	100	Jan. 21,'04	....	....	....
" refunding g. 4's	1951	56,585,000	J & J	81⅞	May 31,'04	82¾	81¾	342,000
" " registered			J & J	......		....	....	....
" 5 year 4½'s gold notes	1908	5,613,000	J & D	......		....	....	....
Kan. Cy Ft. S. & Mem RR con g 6's	1928	13,736,000	M & N	119½	Feb. 4,'04	....	....	....
Kan. Cy Ft. S & M Ry ref g gtd g 4s	1936	15,329,000	A & O	79⅛	May 27,'04	80¾	79⅛	198,000
" registered			A & O	78⅛	Jan. 14,'04	....	....	....
Kan. Cy & M. R. & B. Co. 1st gtd g 5s	1929	3,000,000	A & O	......		....	....	....
St. Louis S. W. 1st g. 4's Bd. ctfs.,	1989	20,000,000	M & N	94¼	May 26,'04	95¼	94	144,000
" 2d g. 4's inc. Bd. ctfs.	1989	3,272,500	J & J	72	May 31,'04	77⅛	70⅛	162,000
" con. g. 4's	1932	12,054,000	J & D	68	May 31,'04	74⅝	67½	418,000
Gray's Point, Term. 1st gtd. g. 5's	1947	339,000	J & D	......		....	....	....
St. Paul, Minn. & Manito'a 2d 6's	1909	7,197,000	A & O	109	May 18,'04	109	109	2,000
" 1st con. 6's	1933	13,344,000	J & J	131	Mar. 28,'04	....	....	....
" 1st con. 6's, registered			J & J	140	May 14,'02	....	....	....
" 1st c. 6's, red'd to g. 4½'s		19,408,000	J & J	109	May 16,'04	109	109	2,000
" 1st cons. 6's register'd			J & J	115¼	Apr. 15,'01	....	....	....
" Dakota ext'n g. 6's	1910	5,465,000	M & N	109½	May 11,'04	109½	109½	3,000
" Mont. ext'n 1st g. 4's	1937	10,185,000	J & D	102	May 26,'04	103	102	41,000
" registered			J & D	106	May 6,'01	....	....	....
Eastern R'y Minn, 1std. 1st g. 5's	1908	4,700,000	A & O	104	Aug. 15,'03	....	....	....
" registered			A & O	......		....	....	....
" Minn. N. div. 1st g. 4's	1940	5,000,000	A & O	......		....	....	....
" registered			A & O	......		....	....	....
Minneapolis Union 1st g. 6's	1922	2,150,000	J & J	128	Apr. 4,19'	....	....	....
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	135	Apr. 25,'04	....	....	....
" 1st 6's, registered			J & J	115	Apr. 24,'97	....	....	....
" 1st g. g. 5's	1937	4,000,000	J & J	114½	Mar. 16,'04	....	....	....
" registered			J & J	......		....	....	....
Willmar & Sioux Falls 1st g. 5's,	1938	3,625,000	J & D	117	Jan. 11,'04	....	....	....
" registered			J & D	......		....	....	....
Salt Lake City 1st g. s. f. 6's	1913	297,000	J & J	......		....	....	....
San Fe Pres. & Phoe. Ry. 1st g. 5's,	1942	4,940,000	M & S	110	Jan. 7,'04	....	....	....
San Fran. & N. Pac. 1st s. f. g. 5's,	1919	3,872,000	J & J	113¾	Dec. 11,'01	....	....	....
Seaboard Air Line Ry g. 4's	1950	12,775,000	A & O	70¼	May 27,'04	70¼	69	93,000
" registered			A & O	......		....	....	....
" col. trust refdg g. 5's	1911	10,000,000	M & N	97	May 27,'04	97	96⅛	8,000
Carolina Central 1st con. g. 4's	1949	2,847,000	J & J	93	May 23,'04	93	93	5,000
Fla Cent & Peninsular 1st g. 5's	1918	3,000,000	J & J	100	Sept. 6,'99	....	....	....
" 1st land grant ext g. 5's	1930	410,000	J & J	......		....	....	....
" cons. g. 5's	1943	4,370,000	J & J	106⅛	Feb. 26,'02	....	....	....
Georgia & Alabama 1st con. 5's	1945	2,922,000	J & J	105⅛	May 26,'04	105⅛	104¾	21,000
Ga. Car. & Nthern 1st gtd g. 5's	1929	5,360,000	J & J	107	Dec 15,'03	....	....	....
Seaboard & Roanoke 1st 5's	1926	2,500,000	J & J	......		....	....	....
Sodus Bay & Sout'n 1st 5's, gold,	1924	500,000	J & J	102	Jan. 20,'03	....	....	....
Southern Pacific Co.								
" 2-5 year col. trust g. 4½'s	1905	30,000,000	J & D	101¾	May 27,'04	101¾	101	155,000
" g. 4's Central Pac. coll.	1949	28,818,500	J & D	92	May 31,'04	92⅛	90¾	168,000
" " registered			J & D	87	Jan. 20,'04	....	....	....

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Austin & Northw'n 1st g. 5's	1941	1,920,000	J & J	102	Apr. 29,'04			
Cent. Pac. 1st refud. gtd. g. 4's	1949	64,756,000	F & A	100⅜	May 31,'04	101	99½	311,000
" registered			F & A	99¼	Mar. 5,'03			
" mtge. gtd. g. 3½'s	1929	18,040,500	J & D	86	May 31,'04	86⅜	85¾	68,500
" " registered			J & D					
Gal. Harrisb'gh & S.A. 1st g 6's	1910	4,756,000	F & A	110¼	Feb. 27,'03			
" 2d g 7's	1905	1,000,000	J & D	103¾	Apr. 12,'04			
" Mex. & P. div 1st g 5's	1931	13,418,000	M & N	109	Apr. 25,'04			
Gila Val. G. & N'n 1st gtd g 5's	1924	1,514,000	M & N	106	May 14,'04	106	106	5,000
Houst. E. & W. Tex. 1st g. 5's	1933	501,000	M & N	105	Dec. 18,'03			
" 1st gtd. g. 5's	1933	2,199,000	M & N	103	Nov. 6,'02			
Houst. & T.C. 1st g 5's int. gtd.	1937	5,287,000	J & J	112	Apr. 14,'04			
" con. g 6's int. gtd.	1912	2,616,000	A & O	113	May 4,'04	113	113	4,000
" gen. g 4's int. gtd.	1921	4,287,000	A & O	92⅞	May 26,'04	93	92	19,000
" W&Nwn. div. 1st. g. 6's	1930	1,105,000	M & N	127½	Feb. 27,'02			
Louisiana Western 1st 6's	1921	2,240,000	J & J					
Morgan's La & Tex. 1st g 6's	1920	1,494,000	J & J	121	May 6,'04	121	121	1,000
" 1st 7's	1918	5,000,000	A & O	130	Apr. 26,'04			
N. Y. Tex. & Mex. gtd. 1st g 4's	1912	1,465,000	A & O					
Nth'n Ry of Cal. 1st gtd. g. 6's	1907	3,964,000	J & J	106½	May 26,'04	106⅝	106½	176,000
" gtd. g. 5's		4,751,000	A & O	113	Jan. 4,'01			
Oreg. & Cal. 1st gtd. g 5's	1927	18,831,000	J & J	101	Jan. 8,'04			
San Ant. & Aran Pass 1st gtd g 4's	1943	18,900,000	J & J	81	May 27,'04	82½	80	127,000
South'n Pac. of Ariz. 1st 6's	1909	6,000,000	J & J	108	May 23,'04	108	108	2,000
" " "	1910	4,000,000	J & J	107	Apr. 27,'04			
" of Cal. 1st g 6's ser. A.	1905	29,187,500	A & O	102	May 6,'04	102	102	2,000
" " " ser. B.	1905		A & O	102	Oct. 22,'03			
" " " C. & D.	1906		A & O	102	Apr. 12,'04			
" " " E. & F.	1902		A & O	114½	Apr. 18,'04			
" " "	1912		A & O	119	Mar. 17,'03			
" 1st con. gtd. g 5's	1937	6,809,000	M & N	119	Feb. 2,'04			
" stamped	1905-1937	21,546,000		107¾	May 24,'04	107¾	107½	33,000
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J					
" of N. Mex. c. 1st 6's	1911	4,180,000	J & J	108	Mar. 9,'04			
Tex. & New Orleans 1st 7's	1905	862,000	F & A	101	Feb. 5,'04			
" Sabine div. 1st g 6's	1912	2,575,000	M & S	111½	Oct. 30,'0'			
" con. g 5's	1943	1,620,000	J & J	103	Jan. 29,'04			
Southern Railway 1st con. g 5's	1994	39,208,000	J & J	115⅝	May 31,'04	116¼	115½	363,000
" registered			J & J	110	Feb. 29,'04			
Mob. & Ohio collat. trust g. 4's	1938	7,990,000	M & S	93¾	May 23,'04	94	93	13,000
" registered			M & S					
" Memph. div. 1st g. 4-4½-5's	1996	5,183,000	J & J	113	Dec. 18,'03			
" registered			J & J					
" St. Louis div. 1st g. 4's	1951	11,250,000	J & J	95	May 25,'04	95	93¾	17,000
" " registered			J & J					
Alabama Central, 1st 6's	1918	1,000,000	J & J	117½	Apr. 20,'04			
Atlantic & Danville 1st g. 4's	1948	3,925,000	J & J	91⅝	Mar. 18,'04			
Atlantic & Yadkin, 1st gtd g 4s	1949	1,500,000	A & O					
Col. & Greenville, 1st 5-6's	1916	2,000,000	J & J	118	May 12,'04	118	118	5,000
East Tenn., Va. & Ga. div. g. 5's	1930	3,106,000	J & J	113½	Apr. 23,'04			
" con. 1st g 5's	1956	12,770,000	M & N	118¼	May 31,'04	118½	117	99,000
" reorg. lien g 4's	1938	4,500,000	M & S	111¾	May 13,'04	111¾	111¾	1,000
" registered			M & S					
Ga. Pacific Ry. 1st g 5-6's	1922	5,660,000	J & J	122	Mar. 18,'04			
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	122	May 19,'04	122	122	1,000
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	116	May 23,'04	116	116	4,000
" deb. 5's stamped	1927	3,368,000	A & O	108½	Dec. 28,'03			
Rich. & Mecklenburg 1st g. 4's	1948	315,000	M & N	92	Sept. 9,'02			
South Caro'a & Ga. 1st g. 5's	1919	5,250,000	M & S	104¼	May 12,'04	104¼	104¼	1,000
Vir. Midland serial ser. A 6's	1906	600,000	M & S	103	Mar. 29,'04			
" small			M & S					
" ser. B 6's	1911	1,900,000	M & S	112½	Jan. 6,'03			
" small			M & S					
" ser. C 6's	1916	1,100,000	M & S	123	Feb. 8,'02			
" small			M & S					
" ser. D 4-5's	1921	950,000	M & S	112	Feb. 18,'03			
" small			M & S					
" ser. E 5's	1926	1,775,000	M & S	109½	Jan. 22,'04			
" small			M & S					
" ser. F 5's	1931	1,310,000	M & S	108	Nov. 9,'03			
Virginia Midland gen. 5's	1936	2,392,000	M & N	113	Apr. 29,'04			
" gen. 5's. gtd. stamped	1926	2,466,000	M & N	110½	May 10,'04	110½	110½	1,000
W. O. & W. 1st cy. gtd. 4's	1924	1,025,000	F & A	93	Dec. 31,'03			
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	113	Mar. 4,'04			
Spokane Falls & North. 1st g. 6's	1939	2,812,000	J & J	117	July 25,19'			
Staten Isl. Ry. N.Y. 1st gtd. g. 4½'s	1943	500,000	J & D	104½	Sept. 2,'02			

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	May Sales. High.	May Sales. Low.	May Sales. Total.
Ter. R. R. Assn. St. Louis 1g 4½'s. 1939	7,000,000	A & O	114½	Dec. 1,'03	....	....	....
" 1st con. g. 5's..... 1894-1944	5,000,000	F & A	110	May 26,'04	115	110	2,000
St. L. Mers. bdg. Ter. gtd g. 5's. 1930	3,500,000	A & O	110	Mar. 26,'03	....	....	....
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th 1905	2,741,000	M & S	100	Sept. 30,'03	....	....	....
" 1st gold 5's............ 2000	22,234,000	J & D	118¼	May 24,'04	118¾	118¼	95,000
" 2d gold income, 5's...... 2000	963,000	MAR.	85	May 31,'04	85	85	25,000
" La. Div. B. L. 1st g. 5's... 1931	3,348,000	J & J	109	May 21,'04	109	108	20,000
Weatherford Mine Wells & Nwn. Ry. 1st gtd. 5's......... 1930	500,000	F & A	106½	Mar. 7,'04	....	....	....
Toledo & Ohio Cent. 1st g 5's.... 1935	3,000,000	J & J	114⅞	May 14,'04	115	114¾	3,000
" 1st M. g 5's West. div... 1935	2,500,000	A & O	111	May 31,'04	111	111	3,000
" gen. g. 5's.... 1935	2,000,000	J & D	106	Apr. 25,'04	....	....	....
" Kanaw & M. 1st g. g. 4's. 1990	2,469,000	A & O	93	May 19,'04	93	92⅛	9,000
Toledo, Peoria & W. 1st g 4's.... 1917	4,900,000	J & D	91½	May 24,'04	91⅛	89¾	12,000
Tol., St. L. & Wn. prior lien g 3½'s. 1925	9,000,000	J & J	85	May 26,'04	85	84	76,000
" registered..................		J & J	....		....	....	....
" fifty years g. 4's........ 1925	6,500,000	A & O	70¼	May 27,'04	70½	69½	37,000
" registered..................		A & O	....		...	....	... .
Toronto, Hamilton & Buff 1st g 4s. 1946	3,280,000	J & D	98	Apr. 29,'03	....	....	....
Ulster & Delaware 1st c. g 5's.... 1928	2,000,000	J & D	109⅛	May 4,'04	109⅛	109⅛	1,000
" 1st ref. g. 4's............ 1952	700,000	A & O	....		....	....	....
Union Pacific R. R. & ld gt g 4s... 1947	100,000,000	J & J	104⅞	May 31,'04	105⅝	104¼	450,000
" registered................		J & J	104	May 24,'04	104	102⅛	35,000
" 1st lien con. g. 4's...... 1911	87,257,000	M & N	96⅞	May 31,'04	97½	96⅝	1,859,000
" registered..................		M & N	96¾	Jan. 27,'04	....	....	....
Oreg. R. R. & Nav. Co. con. g 4's. 1946	21,482,000	J & D	102⅞	May 27,'04	102⅞	102	85,000
Oreg. Short Line Ry. 1st g. 6's. 1922	13,651,000	F & A	122¾	May 27,'04	122¾	122⅛	10,000
" 1st con. g. 5's. 1946.........	12,328,000	J & J	115¾	May 25,'04	116⅛	114⅞	130,500
" 4's & participat'g g. bds. 1927	41,000,000	F & A	94¾	May 31,'04	95	94⅛	456,000
" registered................		F & A	95¼	Apr. 13,'04	....	....	....
Utah & Northern 1st 7's........ 1908	4,993,000	J & J	112	Dec. 30,'03	....	....	....
" g. 5's.................. 1926	1,802,000	J & J	114½	Apr. 19,'02	....	....	....
Virginia & S'western 1st gtd. 5's.. 2003	2,000,000	J & J	104	May 17,'04	104	103½	10,000
Wabash R.R. Co., 1st gold 5's.... 1939	33,001,000	M & N	115⅝	May 31,'04	115¾	114⅝	139,000
" 2d mortgage gold 5's... 1939	14,000,000	F & A	108¼	May 31,'04	109	108	44,000
" deben. mtg series A... 1939	3,500,000	J & J	101½	Apr. 28,'03	....	....	....
" series B................ 1939	26,500,000	J & J	56¾	May 31,'04	61⅝	56¾	1,433,000
" first lien eqpt. fd. g. 5's. 1921	2,755,000	M & S	102	Jan. 13,'04	....	....	....
" 1st lien 50 yr. g. term 4's. 1954	1,416,000	J & J	....		....	....	....
" 1st g. 5's Det. & Chi. ex.. 1940	3,349,000	J & J	108½	Apr. 6,'04	....	....	....
" Des Moines div. 1st g. 4s. 1939	1,600,000	J & J	90	Feb. 20,'04	....	....	....
" Omaha div. 1st g. 3½s.. 1941	3,000,000	A & O	81¼	May 23,'04	81¼	81¼	2,000
" Tol. & Chic. div. 1st g. 4's. 1941	3,000,000	M & S	98	Mar. 17,'02	....	....	....
St. L., K. C. & N. St. Chas. B. 1st 6's 1908	473,000	A & O	109½	Mar. 13,'03	....	....	....
Western N.Y. & Penn. 1st g. 5's.. 1937	9,990,000	J & J	116	Apr. 19,'04	....	....	....
" gen g. 3-4's.............. 1943	9,789,000	A & O	93⅜	May 18,'04	93⅜	93	11,000
" inc. 5's..... 1943	10,000,000	Nov.	40	Mar. 21,'01	....	....	....
West Va. Cent'l & Pitts. 1st g. 6's. 1911	3,250,000	J & J	122	Dec. 15,'03	....	....	....
Wheeling & Lake Erie 1st g. 5's. 1926	2,000,000	A & O	112	Apr. 18,'04	....	....	....
" Wheeling div. 1st g. 5's. 1928	894,000	J & J	110¼	May 17,'04	110¼	110¼	5,000
" exten. and imp. g. 5's... 1930	343,000	F & A	110	Mar. 6,'03	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's.. 1949	11,618,000	M & S	90	May 31,'04	90	89¼	59,000
Wisconsin Cen. R'y 1st gen. g. 4s. 1949	23,743,000	J & J	90½	May 27,'04	90½	90	77,000
Mil. & L. Winnebago 1st 6's..... 1912	1,430,000	J & J	....		....	....	....
STREET RAILWAY BONDS.							
Brooklyn Rapid Transit g. 5's... 1945	6,625,000	A & O	102½	May 25,'04	102½	102	35,000
" 1st ref. conv. g. 4's.... 2002	5,000,000	J & J	77½	May 31,'04	77½	76¼	507,000
" " registered........		J & J	....		....	....	....
" City R. R. 1st c. 5's 1916. 1941	4,378,000	J & J	108½	Apr. 8,'04	....	....	....
" Qu. Co. & S. c. gd. g. 5's. 1941	2,255,000	M & N	100	Mar. 30,'04	....	....	....
" Union Elev. 1st. g. 4-5s. 1950	16,000,000	F & A	104¼	May 31,'04	104¼	102½	259,000
" stamped guaranteed......		......	100¾	July 15,'03	....	....	....
Kings Co. Elev. R. R. 1st g. 4's. 1949	7,000,000	F & A	86¼	May 31,'04	86¼	85	206,000
" stamped guaranteed......		......	....		....	....	....
Nassau Electric R. R. gtd. g. 4's. 1951	10,474,000	J & J	80	May 31,'04	81	79⅞	180,000
City & Sub. R'y, Balt. 1st g. 5's... 1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn. Ry. & Lightg 1st & rfg. g 4½'s. 1951	8,355,000	J & J	94	May 21,'04	94	92	35,000
Denver Con. T'way Co. 1st g. 5's. 1933	730,000	A & O	97½	June 13,'19'	....	....	....
Denver T'way Co. con. g. 6's.... 1910	1,219,000	J & J	....		....	....	....
Metropol'n Ry Co. 1st g. g. 6's. 1911	913,000	J & J	....		....	....	....
Detroit Cit'ens St. Ry. 1st con. g. 5's. 1905	5,485,000	J & J	103	Nov. 23,'01	....	....	....
Grand Rapids Ry 1st g. 5's....... 1916	2,750,000	J & D	....		....	....	....
Louisville Railw'y Co. 1st c. g. 5's, 1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's, 1913	3,000,000	J & J	....		....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	May Sales. High.	May Sales. Low.	May Sales. Total.
Metro. St. Ry N.Y.g.col. tr.g.5's.	1997	12,500,000	F & A	112¾	May 31,'04	113¼	112⅛	21,000
" refunding 4's..........	2002	12,780,000	A & O	90⅝	May 26,'04	90½	90	24,000
B'way & 7th ave. 1st con. g. 5's,	1943	7,650,000	J & D	115	Apr. 20,'04	....	....	....
" registered			J & D	119½	Dec. 3,19'	....	....	....
Columb. & 9th ave.1st gtd g 5's,	1993	3,000,000	M & S	116¾	May 31,'04	116¾	115⅛	2,000
" registered..............			M & S	....	....	....	....	....
Lex ave & Pav Fer 1st gtd g 5's,	1993	5,000,000	M & S	115½	May 25,'04	115½	115	15,000
" registered..............			M & S	....	....	....	....	....
Third Ave. R.R. 1st c.gtd.g.4's..	2000	35,000,000	J & J	94¾	May 31,'04	94⅞	94	323,000
" registered..............			J & J	....	....	....	....	....
Third Ave. R'y N.Y. 1st g 5's...	1937	5,000,000	J & J	119	May 13,'04	119¼	119	6,000
Met. West Side Elev.Chic.1stg.4's.	1938	9,808,000	F & A	94	Feb. 17,'04	....	....	....
" registered.................			F & A	....	....	....	....	....
Mil.Elec.R.&Light con.30yr.g.5's.	1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's......................	1919	4,050,000	J & J	110	June26,'01	....	....	....
St.Jos.Ry.Lig't,Heat&P.1stg.5's.	1937	3,500,000	M & N	....	....	....	....	....
St. Paul City Ry. Cable con.g.5's.	1937	2,480,000	J&J15	109¼	Apr. 14,'03	....	....	....
" gtd. gold 5's	1937	1,138,000	J & J	112	Nov. 28,'99	....	....	....
Union Elevated (Chic.) 1st g.5's.	1945	4,387,000	A & O	109½	Dec. 14,'99	....	....	....
United Railways of St.L.1st g.4's.	1934	28,292,000	J & J	80½	May 3,'04	80½	80½	5,000
United R. R. of San Fr. s. fd. 4's...	1927	20,000,000	A & O	78	May 27,'04	79⅛	77	435,000
West Chic. St. 40 yr. 1st cur. 5's.	1928	3,969,000	M & N	....	....	....	....	....
" 40 years con. g. 5's......	1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....

MISCELLANEOUS BONDS.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	May Sales. High.	May Sales. Low.	May Sales. Total.
Adams Express Co. col. tr. g. 4's.	1948	12,000,000	M & S	101	May 25,'04	101½	101	148,500
Am.Steamship Co.of W.Va.g.5's	1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn.FerryCo.ofN.Y.1stc.g.5's.	1948	6,500,000	F & A	62½	May 25,'04	62½	62	7,000
Chic. Junc. & St'k Y'ds col. g.5's.	1915	10,000,000	J & J	111	Sept.30,'03	....	....	....
Der. Mac.&Ma.ld.gt.3½'s sem.an.	1911	1,775,000	A & O	76½	Mar. 31,'04	....	....	....
Hackensack Water Co. 1st 4's....	1952	3,000,000	J & J	....	....	....	....	....
Hoboken Land & Imp. g. 5's.....	1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g.5's....	1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim.gen. g. 4's.	1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuildng & Dry Dock 5's............	1890-1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...	1951	11,580,000	F & A	90	May 18,'04	90	90	3,000
" registered..................			F & A	....	....	....	....	....
St.Joseph Stock Yards 1st g. 4½'s	1930	1,250,000	J & J	....	....	....	....	....
St. Louis Terml. Cupples Station & Property Co. 1st g 4½'s 5-20..	1917	3,000,000	J & D	....	....	....	....	....
So. Y. Water Co. N. Y. con. g 6's..	1923	478,000	J & J	108	Nov. 28,'03	....	....	....
Spring Valley W. Wks. 1st 6's....	1906	4,975,000	M & S	113½	Dec. 18,19'	....	. ..	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.								
Series D 4½'s	1901-1916	1,000,000	J & J	....	....	....	....	....
" E 4's................	1907-1917	1,000,000	J & D	....	....	....	....	....
" F 4's................	1908-1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
" G 4's................	1903-1918	1,000,000	F & A	....	....	....	....	....
" H 4's................	1903-1918	1,000,000	M & N	....	....	....	....	....
" I 4's................	1904-1919	1,000,000	F & A	....	....	....	....	....
" J 4's................	1904-1919	1,000,000	M & N	....	....	....	....	....
" K 4's................	1905-1920	1,000,000	J & J	....	....	....	....	....
Small bonds..................		....	......	....	....	....	....	....
INDUSTRIAL AND MFG. BONDS.								
Am. Cotton Oil deb. ext. 4½'s....	1915	2,919,000	......	97	May 24,'04	97	97	1,000
Am. Hide & Lea. Co. 1st s. f. 6's...	1919	7,863,000	M & S	77	May 23,'04	80	77	27,000
Am. Spirit Mfg. Co. 1st g. 6's....	1915	1,750,000	M & S	85	May 19,'04	85	85	1,000
Am.Thread Co.,1st coll.trust 4's.	1919	6,000,000	J & J	78¼	Apr. 14,'04	....	....	....
Barney & Smith Car Co. 1st g.6's.	1942	1,000,000	J & J	105	Jan. 10,19'	....	....	....
Consol. Tobacco Co. 50 year g. 4's.	1951	157,378,200	F & A	59⅞	May 31,'04	60	58¼	1,150,000
" registered..................			F & A	58½	May 5,'04	58½	58½	8,000
Dis. Secur. Cor. con. 1st g. 5's....	1927	13,379,000	A & O	62¾	May 31,'04	64⅝	62½	249,000
Dis. Co. of Am. coll. trust g 5's..	1911	2,580,000	J & J	99	Sept.16,'03	....	....	....
Illinois Steel Co. debenture 5's...	1910	1,400,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's......	1910	7,000,000	A & O	92	Feb. 23,'04	....	....	....
Internat'l PaperCo. 1st con.g 6's.	1918	9,724,000	F & A	107	May 2,'04	107	107	5,000
Int. Steam Pump 10 year deb. 6's.	1913	2,500,000	J & J	102	May 14,'04	102	102	5,000
Knick'r'ker IceCo.(Chic)1st g 5's.	1928	1,937,000	A & O	93	Feb. 24,'03	....	....	....
Lack. Steel Co., 1st con. g. 5's....	1923	15,000,000	A & O	98	May 25,'04	98¼	96⅝	108,000
Nat. Starch Mfg. Co., 1st g 6's...	1920	2,924,000	J & J	87	May 9,'04	88	87	5,000
Nat. Starch. Co's fd. deb. g. 5's..	1925	4,137,000	J & J	66	Feb. 29,'04	....	....	....
Standard Rope & Twine 1st g. 6's.	1946	2,740,000	F & A	38	May 19,'04	38	38	5,000
Standard Rope&Twine inc.g.5s.	1946	7,500,000	......	2	May 25,'04	2	1½	4,000

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MISCELLANEOUS BONDS—*Continued.*

Name.	*Principal Due.*	*Amount.*	*Int't paid.*	Last Sale. *Price.*	Last Sale. *Date.*	May Sales. *High.*	May Sales. *Low.*	May Sales. *Total.*
United Fruit Co., con. 5's	1911	3,794,000	M & S	....	....	....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's	1918	2,000,000	J & J	....	....	....	....	....
U. S. Leather Co. 6% g s. fd deb.	1915	5,280,000	M & N	109½	May 25,'04	110	109½	33,000
U. S. Reduction & Refin. Co. 6's	1931	....	......	79	Aug.12,'03	....	....	....
U. S. Shipbldg. 1st & fd g. 5'sSer. A.	1932	14,500,000	J & J	28	Feb. 5,'04	....	....	....
" collat. and mge. 5's	1932	10,000,000	F & A	91	Jan. 15,'03	....	....	....
U. S. Steel Corp. 10-60yr. g. sk. fd5's	1963	....	M & N	73⅛	May 31,'04	74	71¾	8,130,000
" " " reg.	1963	170,000,000	M & N	73⅛	May 31,'04	74⅛	71½	37,500
Bonds of Coal and Iron Cos.								
Col. Fuel & Iron Co. g. s. fd. g 5's	1943	5,355,000	F & A	99	May 26,'04	99	98	12,000
" conv. deb. g. 5's	1911	1,787,000	F & A	73	May 5,'04	73	73	2,000
" " registered			F & A	....	....	....	....	....
" " Trust Co. certfs		12,281,000	......	71½	Apr. 22,'04	....	....	....
Col. C'l & I'n Dev. Co. gtd g. 5's	1909	700,000	J & J	55	Nov. 2,19'	....	....	....
" Coupons off		....	......	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's	1919	640,000	M & N	105	Mar. 9,'04	....	....	....
Grand Riv. C'l & C'ke 1st g. 6's	1919	949,000	A & O	115	June 23,'02	....	....	....
Continental Coal 1st s. f. gtd. 5's	1952	2,750,000	F & A	....	....	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's	1926	1,588,000	J & D	105⅛	Oct. 10,'98	....	....	....
" 2d g. 5's	1926	1,000,000	J & D	102½	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal & Coke 1st g. 5's	1951	3,000,000	J & J	105	Oct. 24,19'	....	....	....
Pleasant Valley Coal 1st g. s. f. 5s.	1928	1,146,000	J A J	106¼	Feb. 27,'02	....	....	....
Roch & Pitts. Cl & Ir. Co. pur my 5's.	1946	1,064,000	M & N	....	....	....	....	....
Sun. Creek Coal 1st sk. fund 6's	1912	835,000	J & D	....	....	....	....	....
Tenn. Coal, Iron & R. R. gen. 5's	1951	3,000,000	J & J	99	Nov. 24,'03	....	....	....
" Tenn. div. 1st g. 6's	1917	1,182,000	A & O	106	Apr. 30,'04	....	....	....
" Birmingh. div. 1st con. 6's	1917	3,637,000	J & J	106	May 2,'04	106½	106	3,000
Cahaba Coal M. Co., 1st gtd. g. 6's	1922	892,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C&I Co. gtd. g. 6's	1910	2,729,500	F & A	104	May 27,'04	104	103½	5,000
Utah Fuel Co. 1st s. f. g. 5's	1931	866,000	M & S	....	....	....	....	....
Va. Iron, Coal & Coke, 1st g. 5's	1949	6,652,000	M & S	71	May 23,'04	71	71	2,000
Gas & Electric Light Co. Bonds.								
Atlanta Gas Light Co. 1st g. 5's	1947	1,150,000	J & D	....	....	....	....	....
B'klyn Union Gas Co. 1st cong. 5's.	1945	14,498,000	M & N	112¼	May 31,'04	113¼	112¼	65,000
Buffalo Gas Co. 1st g. 5's	1947	5,900,000	A & O	63¾	May 23,'04	63½	63	18,000
Columbus Gas Co., 1st g. 5's	1932	1,215,000	J & J	104½	Jan. 28,'98	....	....	....
Detroit City Gas Co. g. 5's	1923	5,603,000	J & J	97½	May 31,'04	97½	96½	25,000
Detroit Gas Co. 1st con. g. 5's	1918	881,000	F & A	105	June 2,'03	....	....	....
Eq. G. L. Co. of N. Y. 1st con. g. 5's.	1932	3,500,000	M & S	112	Nov. 11,'03	....	....	....
Gas. & Elec. of Bergen Co. c. g. 5s.	1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. del. g. 3½'s	1942	2,049,400	F & A	88	May 6,'04	88	88	18,000
Grand Rapids G. L. Co. 1st g. 5's.	1915	1,225,000	F & A	107¾	Dec. 17,19'	....	....	....
Hudson Co. Gas Co. 1st g. 5's	1949	9,180,000	M & N	103⅞	May 14,'04	103⅞	103⅞	1,000
Kansas City Mo. Gas Co. 1st g 5's.	1922	3,750,000	A & O	....	....	....	....	....
Kings Co. Elec. L. & Power g. 5's	1937	2,500,000	A & O	....	....	....	....	....
" purchase money 6's	1997	5,010,000	J & J	119	Apr. 12,'04	....	....	....
Edison El. Ill. Bkln 1st con. g. 4's.	1939	4,275,000	J & J	93¾	May 2,'04	93¾	93¾	1,000
Lac. Gas L't Co. of St. L. 1st g. 5's.	1919	10,000,000	Q F	107⅝	May 25,'04	107½	106¾	42,000
" small bonds				97½	Nov. 1,'95	....	....	....
Milwaukee Gas Light Co. 1st 4's	1927	6,000,000	M & N	89⅞	Apr. 29,'04	....	....	....
Newark Cons. Gas, con. g. 5's	1948	5,274,000	J & D	....	....	....	....	....
N. Y. Gas EL. H & P Co 1st col tr g 5's.	1948	15,000,000	J & D	107¾	May 31,'04	108	107	331,000
" registered			J & D					
" purchase mny col tr g 4's.	1949	20,927,000	F & A	92⅞	May 27,'04	93½	91½	283,000
Edison El. Illu. 1st conv. g. 5's.	1910	4,312,000	M & S	103⅛	Apr. 8,'04	....	....	....
" 1st con. g. 5's	1995	2,156,000	J & J	117	May 4,'04	117	117	8,000
N. Y. & Qus. Elec. Lg. & P. 1st. c. g. 5's	1930	2,272,000	F & A	101	May 11,'04	101	101	4,000
N. Y. & Richmond Gas Co. 1st g. 5's.	1921	1,000,000	M & N	100	Mar. 15,'04	....	....	....
Paterson & Pas. G. & E. con. g. 5's	1949	3,817,000	M & S	....	....	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's.	1904	2,100,000	M & N	100¼	Dec. 11,'03	....	....	....
" 2d gtd. g. 6's	1904	2,500,000	J & D	103	May 26,'04	103	103	1,500
" 1st con. g 6's	1943	4,900,000	A & O	122	May 25,'04	122	122	20,000
" refunding g. 5's	1947	2,500,000	M & S	103	Apr. 9,'04	....	....	....
" refuding registered			M & S	....	....	....	....	....
Chic. Gas Lt & Coke 1st gtd g. 5's.	1937	10,000,000	J & J	108	May 11,'04	108	108	3,000
Con. Gas Co. Chic. 1st gtd. g. 5's.	1936	4,346,000	J & D	105½	May 6,'04	105½	105½	1,000
Eq. Gas & Fuel, Chic. 1st gtd. g. 6's.	1905	2,000,000	J & J	101	Mar. 5,'04	....	....	....
Mutual Fuel Gas Co. 1st gtd. g. 5's.	1947	5,000,000	M & N	105	Apr. 27,'04	....	....	....
" registered		....	......	....	....	....	....	....
Syracuse Lighting Co. 1st g. 5's	1951	2,000,000	J & D	....	....	....	....	....
Trenton Gas & Electric 1st g. 5's.	1949	1,500,000	M & S	109	Feb. 8,'01	....	....	....
Utica Elec. L. & P. 1st s. f'd g. 5's.	1950	1,000,000	J & J	....	....	....	....	....
Westchester Lighting Co. g. 5's.	1950	5,350,000	J & D	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

Name.	Principal Due.	Amount.	Int't paid.	Last Sale. Price.	Last Sale. Date.	May Sales. High	May Sales. Low.	May Sales. Total.
TELEGRAPH AND TELEPHONE CO. BONDS.								
Am.Teleph.&Teleg.coll.trust.4's	1929	38,000,000	J & J	90	May 31,'04	90	90	1,000
Commercial Cable Co. 1st g. 4's	2397	10,734,300	Q & J	100½	Apr. 8,'02	....	....	....
• registered			Q & J	100½	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.								
Metrop. Tel & Tel. 1st s'k f'd g. 5's	1918	1,823,000	M & N	109¾	May 13,'04	109¾	109¾	1,000
• registered			M & N					
N. Y. & N. J. Tel. gen. g 5's	1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's	1938	8,504,000	J & J	108½	May 14,'04	108½	108½	11,000
• fundg & real estate g. 4½'s	1950	17,000,000	M & N	102	May 24,'04	102	101½	167,000
Mutual Union Tel. s. fd. 6's	1911	1,957,000	M & N	107½	June23,'03	....	....	....
Northern Tel. Co. gtd fd. 4½'s	1934	1,500,000	J & J	103¾	Apr. 27,'04	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

Name	Principal Due.	Amount.	Int'st Paid.	Year 1904. High.	Year 1904. Low.	May Sales. High.	May Sales. Low.	May Sales. Total.
United States con. 2's registered	1930	542,909,950	Q J	107¼	105	105⅛	105	16,000
• con. 2's coupon	1930		Q J	106¼	105¼	....	....	......
• con. 2's reg. small bonds	1930		Q J	....	....	....	....	......
• con. 2's coupon small bds.	1930		Q J	....	....	....	....	......
• 3's registered	1908-18	77,135,300	Q F	106¾	105⅝	105¾	105⅝	51,000
• 3's coupon	1908-18		Q F	108	105¾	106¾	105¾	5,500
• 3's small bonds reg.	1908-18		Q F	....	....	....	....	......
• 3's small bonds coupon.	1908-18		Q F	107⅛	105¾	105¾	105¾	700
• 4's registered	1907	156,801,500	J A J&O	108¼	106¾	107	106¾	9,500
• 4's coupon	1907		J A J&O	108	107	107⅛	107	5,000
• 4's registered	1925	118,489,900	Q F	132⅞	132⅝	132⅝	132⅝	10,000
• 4's coupon	1925		Q F	134	132¾	....	....	......
District of Columbia 3-65's	1924	14,224,100	F & A	....	....	....	....	......
• small bonds			F & A	....	....	....	....	......
• registered.			F & A	....	....	....	....	......
Philippine Islands land pur. 4's	1914-34	7,000,000	Q F	111¾	111¾	....	....	......
STATE SECURITIES.								
Alabama Class A 4 and 5	1906	6,859,000	J & J	102¾	102¾	102¾	102¾	1,000
• • small		....	....	....	....	....	....	......
• Class B 5's	1906	575,000	J & J	....	....	....	....	......
• Class C 4's	1906	962,000	J & J	....	....	....	....	......
• currency funding 4's	1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.								
Louisiana new ccn. 4's	1914	10,752,800	J & J	....	....	....	....	......
• • small bonds								
Missouri fdg. bonds due	1894-1895	977,000	J & J	....	....	....	....	......
North Carolina con. 4's	1910	3,397,350	J & J	102½	102	....	....	......
• small			J & J					
• 6's	1919	2,720,000	A & O	....	....	....	....	......
N. Carolina fundg. act bds	1866-1900	556,500	J & J	....	....	....	....	......
• •	1868-1898		A & O	....	....	....	....	......
• new bonds	1892-1898	624,000	J & J	....	....	....	....	......
• •			A & O	....	....	....	....	......
• Chatham R. R.		1,200,000	A & O	....	....	....	....	......
• special tax Class 1		....	A & O	....	....	....	....	......
• • Class 2		....	A & O	....	....	....	....	......
• • to Western N. C. R.		....	A & O	....	....	....	....	......
• • Western R. R.		....	A & O	....	....	....	....	......
• • Wil. C. & Ru. R.		....	A & O	....	....	....	....	......
• • Western & Tar. R.		....	A & O	....	....	....	....	......
South Carolina 4½'s 20-40	1933	4,392,500	J & J	....	....	....	....	......
So. Carl. 6's act. Mch. 23, 1869, non-fdc.	1888	5,965,000	....	....	....	....	....	......
Tennessee new settlement 3's	1913	6,681,000	J & J	96¾	95¼	96¾	96¾	3,000
• registered		6,079,000	J & J	....	....	....	....	......
• small bond		362,200	J & J	....	....	....	....	......
• redemption 4's	1907	469,000	A & O	....	....	....	....	......
• 4½s	1913	1,000,000	A & O	....	....	....	....	......
• penitentiary 4½'s	1912	600,000	A & O	....	....	....	....	......

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES—*Continued.*

Name.	Principal Due.	Amount.	Int'st paid.	Year 1904. High.	Year 1904. Low.	May Sales. High.	May Sales. Low.	May Sales. Total.
Virginia fund debt 2-3's of	1991	18,054,277	J & J	92⅛	91⅛	....	....	......
" registered			J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871		3,974,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871		8,716,565	....	8	6½	6¾	6⅛	75,000
Foreign Government Securities.								
Frankfort-on-the-Main, Germany, bond loan 3½'s series 1	1901	14,776,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.								
Imperial Russian Gov. State 4% Rente		2,310,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.								
Quebec 5's	1908	3,000,000	M & N	....	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's		....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200		£22,162,120	......	100⅛	98⅜	100⅛	99	14,000
Small bonds denominations of £20		....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000		....	......	....	....	...	....	......

Earnings of Canadian Banks.

I transmit a statement compiled by the Finance and Insurance Chronicle showing the earnings on capital and on combined capital and reserve of certain Canadian banks during the year 1903. These banks have an aggregate capital of over $90,000,000, or nearly ninety-three per cent. of the entire bank capital of the banks of the Dominion.

Earnings of Canadian Banks upon Capital and Combined Capital and Reserve during the year 1903.

Bank	Year's earnings.	Rate on capital. Per cent.	Rate on capital and reserve. Per cent.
Montreal	$1,860,797	13.99	8.35
Commerce	1,004,217	12.02	9.05
Merchants	733,939	12.23	8.43
British North America	366,080	7.52	5.42
Imperial	482,124	16.86	9.1
Dominion	445,567	15.93	7.96
Royal	373,252	13.41	6.67
Toronto	424,200	15.79	7.74
Molsons	439,09[illegible]	16.69	8.92
Quebec	265,668	10.62	8.05
Ottawa	335,640	14.39	7.45
Union	360,482	16.18	12.35
Eastern Township	201,390	10	6.26
Nova Scotia	411,613	20.58	8.23
Hamilton	335,389	16.76	9.31
Hochelaga	258,041	12.96	8.77
Nationale	148,884	9.99	8.09
Ontario	174,127	11.8	9.16
Traders	167,340	11.44	9.23
Union (Halifax)	150,744	11.79	7
Sovereign	51,233	4.55	3.79
Standard	181,893	18.18	9.83
Metropolitan	26,535	2.65	1.32
People's (Halifax)	78,977	8.85	6.2
New Brunswick	91,389	18.27	7.31
Western	65,121	15.26	11.31
St. Hyacinthe	15,666	4.75	3.87
Merchants' (Prince Edward Island)	55,595	17.34	10.24
Yarmouth	16,290	5.43	4.65
People's (New Brunswick)	27,037	15.02	7.81
Total	$9,548,272	......	....
Average rate	....	18.05	8.03

JOHN G. FOSTER, *Consul-General.*

OTTAWA, Canada.

BANKERS' OBITUARY RECORD.

Bedell.—Chauncey Bedell, Vice-President of the First National Bank, Hempstead, N. Y., died April 28, aged seventy years.

Bennett.—Augustus H. Bennett, President of the Homer (N. Y.) National Bank, died May 25, aged sixty-four years. Mr. Bennett was born in the vicinity of Homer, and throughout his life was identified with local interests. He was one of the founders of the Homer National Bank, in 1884, becoming Cashier, and in February of the present year he was elected President.

Brown.—E. P. Brown, Cashier of the First National Bank, Castle Rock, Colo., died May 5.

Cuykendall.—W. B. Cuykendall, Vice-President of the First National Bank, Plymouth, Ohio, died May 20, aged seventy-eight years. He had been President of the bank for many years, but retired from the more active office to the vice-presidency a short time ago.

Duncan.—William P. Duncan, President of the First National Bank, Phillipsburg, Pa., died May 3.

Dyckman.—Francis H. Dyckman, President of the Bank of Sleepy Eye, Minn., died May 9, aged about forty-five years. He was a resident of Orange, N. J., and had business interests in New York city.

Fitch.—Ashbel P. Fitch, President of the Trust Company of America, New York city, and prominent in politics, died May 8. He was born in Clinton county, N. Y., October 8, 1848, coming to New York city at an early age. After being educated in this country and abroad he was admitted to the bar, and served four terms in Congress. In 1893 he was elected Comptroller of New York city, and in this position made a good record for his judgment in financial matters.

Hagar.—Edward C. Hagar, Assistant Cashier of the Oakland (Cal.) Bank of Savings, died May 4. Mr. Hagar was born in Indiana, but had resided in California since 1877. He had been connected with the Oakland Bank of Savings for seventeen years.

Goldsmith.—Julius M. Goldsmith, Treasurer of the State Savings Bank, St. Paul, Minn., died May 4, aged forty-seven years.

Lancaster.—Robert B. Lancaster, President of the Citizens' National Bank, Lebanon, Ind., and an active business man, died May 18.

Leitch.—Dr. Andrew J. Leitch, President of the First National Bank, Niles, Ohio, died May 7.

Lounsbury.—John W. Lounsbury, Vice-President of the First National Bank, Port Chester, N. Y., died May 19, aged eighty years.

McCormick.—Joseph T. McCormick, President of the Second National Bank, Connellsville, Pa., died May 2.

McNally.—Andrew McNally, Vice-President of the Chicago National Bank, and a member of the publishing firm of Rand, McNally & Co., died recently at his winter home near Pasadena, Cal.

Neimann.—Herman H. Neimann, a member of the firm of H. H. Neimann & Co., Pittsburg, and President of the Fifth Avenue Bank, of that city, died May 16, aged seventy-nine years.

Perin.—Nelson Perin, President of the Eastern Security Co., Baltimore, died May 12, aged fifty-one years.

Peters.—Dr. J. Elwood Peters, Vice-President of the Jenkintown (Pa.) Trust Co., died May 16, aged forty-nine years.

Pruner.—Col. Edmund J. Pruner, President of the Farmers and Merchants' National Bank, Tyrone, Pa., died May 14, aged sixty-eight years.

Salisbury.—B. W. Salisbury, Cashier of the First National Bank, Monroeville, Ohio, died April 29.

Silliman.—Edward S. Silliman, President of the First National Bank, Mahanoy City, Pa., and prominently otherwise associated with business interests at that place, died May 1.

Sprague.—Chauncey T. Sprague, Vice-President of the Freeport (N. Y.) Bank, died May 3, aged sixty-six years.

Studebaker.—David Studebaker, Vice-President of the Old Adams County Bank, Decatur, Ind., a director of the Bankers National Bank, of Chicago, the First National Bank, of Marion, Ind., the Fort Wayne (Ind.) Trust Co., and other financial institutions, died May 5. He was born in Mercer county, Ohio, August 17, 1827.

Styer.—Lewis Styer, Cashier of the People's National Bank, Norristown, Pa., died May 27, aged seventy-two years.

Tallman.—A. P. Tallman, for many years Cashier of the First National Bank of Bellaire, Ohio, died May 15, aged sixty years.

Van Horn.—Hon. George Van Horn, who was recently elected Vice-President of the Second National Bank, Cooperstown, N. Y., died May 3.